

Volume 4, Issue 1, 2018

ISSN 2522-1043

Central Asian Journal of
Social Sciences
and **Humanities**



Al-Farabi Kazakh National University

Central Asian Journal of Social Sciences and Humanities is a peer-reviewed academic journal covering all branches of social and humanitarian areas: historical; philological; philosophical, social, psychological, educational and legal sciences.

The editors aim to maintain the publication of results of research faculty, doctoral and postgraduate students of Al-Farabi Kazakh National University, as well as scholars from various domestic and foreign universities and research institutes.

One of the most important priorities of the journal is to publish articles aimed at the study of problems with innovative techniques and information technology.

Central Asian Journal of Social Sciences and Humanities

EDITOR-IN-CHIEF

Kuralai I. Baizakova

Al-Farabi Kazakh National University

ASSOCIATE EDITOR

Rose M. Tayeva

Al-Farabi Kazakh National University

EDITORIAL BOARD

Zhanat B. Kazbekova

Al-Farabi Kazakh National University

Fatima T. Kukeyeva

Al-Farabi Kazakh National University

Gulnar Y. Nadirova

Al-Farabi Kazakh National University

Nazgul S. Tuyakbayeva

Al-Farabi Kazakh National University

Bakhyt K. Rakhimbekova

Al-Farabi Kazakh National University

Gulmira S. Sultangalieva

Al-Farabi Kazakh National University

Nurgul P. Sapargalieva

Al-Farabi Kazakh National University

Asun Lopez Varela

University of Madrid, Spain

Gregory Glissen

John. Marshall European centre for security studies, Russia

Sergei A. Kibalnik

St.-Petersburg State University, Russia

Mike Mayer

Tyubing University, Germany

Pierlunzhi Montalbano

University of La Sapienza, Italy

Mikhail Molchanov

University of St. Thomas, Canada

Pierre Chabal

University of Le Havre, France

Yulai Shamiloglu

University of Madison, USA

Thomas Hoffman

University of Tartu, Estonia

EXECUTIVE SECRETARY

Zhuldyz T. Sairambaeva

Al-Farabi Kazakh National University

TECHNICAL SECRETARY

Assylbek Karymsakov

Al-Farabi Kazakh National University

Proprietor of the Edition: Al-Farabi Kazakh National University

Editor-in-chief: K.I. Baizakova

Certificate № 15155-Ж Registered on March 12th, 2015 in the
Ministry of Cultural and Information of the Republic of Kazakhstan.



Computer page makeup and
cover designer: A. Kaliyeva

IB №12212

Signed to publishing 01.08.2018. Format 60x84 1/8. Offset paper.
Digital printing. Volume printer's sheet. Edition: 300. Order №4912.
Publishing house «Kazakh Universiteti»

www.read.kz Telephone: +7 (727) 3773330, fax: +7 (727) 3773344

Al-Farabi Kazakh National University

KazNU, 71 Al-Farabi, 050040, Almaty

Printed in the printing office of the Publishing house «Kazakh Universiteti».

¹Baimagambetova Z.M., ¹Gabdulina A.Zh.

Al-Farabi Kazakh National University, Almaty, Kazakhstan
e-mail: zula_bai@mail.ru

THE HISTORICAL AND LEGAL ANALYSIS OF SETTLEMENT OF DISPUTES WITHIN THE WORLD TRADE ORGANIZATION

Abstract. The relevance of a subject of research is caused by the fact that the constant growth of number of the considered disputes of the WTO gradually develops and complicates the system of law of the WTO. The mechanism of settlement of disputes and also the mechanism of control of execution of decisions are the basic elements providing stability and effective functioning of system in general. The research of the matters is necessary for full-fledged assessment of activity of the WTO because today the WTO plays a role of the stabilizer of the international economic relations in the sphere of trade and the mechanism of settlement of disputes is a guarantor of stability of all international trade system.

In this article, the authors give a historical and legal analysis of the dispute settlement within the WTO, the results of the study clearly set out the main concepts, principles, and peculiarities of the dispute settlement mechanism in the WTO based on the analysis of resolved disputes between various WTO member countries.

Since Kazakhstan, since July 27, 2015, is a full member of the WTO, the given access to international mechanisms and institutions for resolving disputes within the WTO will make it possible to effectively use this opportunity to protect its national interests, in accordance with WTO rules and norms.

Key words: World Trade Organization, Dispute settlement body, arbitration group, dispute settlement, consultations.

Аңдатпа. Зерттеу тақырыбының өзектілігі болып ДСҰ-мен қаралатын даулар санының үнемі өсуі нәтижесінде ДСҰ-ның құқықтық жүйесі біртіндеп дамып және күрделеніп келе жатыр. Дауларды шешу механизмі, сондай-ақ шешімдердің орындалуына бақылау жүргізу механизмі тұтастай алғанда жүйенің тұрақтылығы мен тиімді жұмыс істеуін қамтамасыз етудің негізгі элементтері болып табылады. Осы мәселелерді зерттеу ДСҰ іс-шараларын толық бағалау үшін қажет, себебі ДСҰ бүгін сауда саласында халықаралық экономикалық қатынастарды тұрақтандыру рөлін атқарады және дауларды реттеу механизмі халықаралық сауда жүйесінің бүкіл жүйесінің тұрақтылығының кепілі болып табылады.

Осы мақалада авторлар ДСҰ шеңберінде дауларды реттеудің тарихи-құқықтық талдауын береді, зерттеудің нәтижелері ДСҰ-ға мүше елдердің арасындағы шешілген дауларды талдау негізінде ДСҰ-да дауларды шешу механизмінің негізгі ұғымдарын, қағидаттарын және ерекшеліктерін нақты анықтайды.

2015 жылы 27 шілдеден бастап Қазақстан ДСҰ-ның толыққанды мүшесі болғандықтан, ДСҰ шеңберінде дауларды шешудің халықаралық механизмдері мен институттарына қолжетімділік нәтижесінде ДСҰ нормалары мен ережелеріне сәйкес, ұлттық мүдделерін қорғауға мүмкіндік береді.

Түйін сөздер: Дүниежүзілік сауда ұйымы, Дауларды шешу бойынша Орган, аралық топ, дауларды шешу, кеңес беру.

Абстракт. Актуальность предмета исследования обусловлена тем, что постоянный рост числа рассматриваемых споров ВТО постепенно развивается и усложняет систему права ВТО. Механизм разрешения споров, а также механизм контроля исполнения решений являются основными элементами обеспечения стабильности и эффективного функционирования системы в целом. Исследование этих вопросов необходимо для полноценной оценки деятельности ВТО, поскольку сегодня ВТО играет роль стабилизатора международных экономических отношений в сфере торговли и механизм разрешения споров является гарантом стабильности всей системы международной торговли.

В данной статье авторами дан историко-правовой анализ урегулирования споров в рамках ВТО, в результатах исследования рассмотрены основные понятия, принципы, особенности механизма разрешения споров в ВТО на основе анализа разрешенных споров между различными странами-участниками ВТО.

Поскольку Казахстан с 27 июля 2015 года является полноправным членом ВТО, то предоставленный доступ к международным механизмам и институтам разрешения споров в рамках ВТО позволит эффективно использовать эту возможность для защиты своих национальных интересов, в соответствии с правилами и нормами ВТО.

Ключевые слова: Всемирная торговая организация, Орган по разрешению споров, третейская группа, разрешение споров, консультации.

Introduction

Nowadays, the World Trade Organization (further – the WTO) plays the most important role in the international integration and has powerful authority on the sphere of international trade. Within the WTO a huge number of important decisions concerning international trade relations is accepted.

As our President N.A. Nazarbayev has told that accession to the WTO provides to our enterprises access to the foreign markets, and consumers – a wide choice of goods and services. Today 90 percent of our trade are the share of WTO member countries. Therefore this decision is very important for us. Kazakhstan becomes even more attractive as for foreign and domestic investors. The state has an opportunity for creation of new productions and jobs.

Positions on the questions, most sensitive for our economy, have been coordinated. It both questions of agriculture, “the Kazakhstan contents”, and market of financial services and telecommunications. It was succeeded to combine requirements of the WTO and EAEU, proceeding at the same time from national interests”. After accession to WTO of a measure the supports given by the state have to correspond to the international rules. At the same time the Kazakhstan enterprises have to learn to compete by rules of the WTO (Назарбаев, 2015: <http://atameken.kz/ru/news/18804-nursultan-nazarbayev-vstuplenie-v-vto-budet-sposobstvovat-integracii-kazahstana-v-mirovuyu-ekonomiku>).

Extremely important role for the law of the WTO is played by the mechanism on settlement of disputes. At the moment there are 164 members of WTO. In this regard the number of the disputes about observance of the obligations provided by “the captured agreements” by the states increases. In the WTO it is provided both the special mechanism of settlement of disputes and the mechanism of control of execution of such decisions. These mechanisms represent an instrument for ensuring of efficiency of activity of the WTO. Without research of this sphere it is impossible to carry out the comprehensive analysis of activity of this organization.

As the member of the WTO Kazakhstan has got direct access to the conventional mechanism of resolving trade conflicts. However, on the other hand, Kazakhstan can become also a subject of complaints from trade partners which for protection of the interests can initiate a dispute within the WTO. In this regard for Kazakhstan experience of participation of other states in procedures of the WTO for settlement of disputes, and a possibility of the corresponding preparation for future disputes, including legal issues, political measures or change of the external economic policy are very interesting and useful. To the Republic of Kazakhstan as to the new member of the WTO, it is necessary to develop legal examination in the field of the mechanism of settlement of disputes in order to fully use the existing advantages of our participation in the WTO (Amirbekova A., Galyamov R.: 2016, 333).

Methodology

A methodological basis of a research consists of the method of scientific modeling, a historical method, an analysis method, a method of comparison and statistics, including the analysis of total of disputes, a ratio of the lost and carried case of the states in various sectors.

On the basis of a historical method digression on stories of formation and development of one of the most authoritative organizations and history of emergence of disputes per se between the states has been carried out. By means of a method of scientific modeling options of settlement of disputes within the WTO are presented. Comparative and statistical methods have allowed to estimate various reasons of the carried case at certain states and also to reveal those fields of economy on most of which often there are disputes further to pay closer attention to all questions. The main conclusions have been received as a result of use the large volume of practice of the WTO in the field of settlement of disputes: work contains the analysis of a large number of decisions on settlement of disputes and also the documents concerning execution of these decisions.

Results and Discussion

Formation of system of settlement of disputes

The trade conflicts between the states in the XX- XXI century became means of achievement of definite geopolitical purposes.

From the moment of formation of the states and activation of international trade the centralized power took great pain to protect the producers and to win new sales markets. "Fighting" took place in trade constantly since antiquity, and may be from a primitive system. Besides, practically in any interstate military conflict there is always an opportunity to allocate an economic component.

The first known application of trade sanctions belongs to 432 – 430 BC when the Athenian authorities have imposed a ban on trade with the area the Shrew and as a result the Peloponnese wars happened.

Among the reasons of World War II the trade conflicts of the European countries, the USA and Japan among themselves are also called. "Practically any well-founded research of the reasons of fighting in the Pacific Ocean during World War II distinguishes from them embargo against Japan and trade negotiations which were conducted up to bombing of Pearl Harbour base.

In 1854 by forces of the admiral Perry of the USA "have opened" the market of Japan, having actually forced her to sign the trade agreement which provided establishment of a limit on the import duties of Japan of 5% for the majority of goods while the average tariff for the goods imported to the USA was 30% (J. Fallows: 2012. <http://www.theatlantic.com/magazine/archive/2012/12/how-the-world-works/5854/2/>).

After completion of World War II the international community has addressed liberalization of world trade again. 45 thousand tariff concessions which have made each other 23 countries and also emergence of the General Agreement on Tariffs and Trade in 1947 (further – GATT 1947) became result of post-war negotiations (The General Agreement on Tariffs and Trade 1947: https://www.wto.org/english/docs_e/legal_e/gatt47_01_e.htm).

Despite certain achievements of the mechanism of settlement of disputes within GATT, it sparked criticism from experts in connection with wide use of non-judicial means of settlement of disagreements (so-called "diplomatic means") while, according to them, more tightly regulated mechanism would be more useful to GATT.

In 1975 – 1976 the conflict between Great Britain and Iceland concerning catching of a cod took place. Iceland, having threatened to close

NATO military base in Keflavika, has achieved that the British fishermen were forbidden to approach coast of the island state closer, than on 200 miles. In general, the conflicts in fishing branch are frequent and very fierce. Besides a dispute of Great Britain and Iceland, it is possible to give "crab war" between North and South Korea as examples; the conflict because of catching of squids about the Falkland Islands which has begun in 1994 between Great Britain and Argentina.

In 1980 "automobile war" between the USA and Japan which corporations actively got on the American market of cars began. After introduction of the import duties price for cars in the USA has grown by 40%.

In 1993 between the EU and the Latin American countries which were supported by the USA protecting the interests of the multinational corporations "banana war" has burst. The main reason was release from duties of suppliers from the former European colonies and introduction of a tax in 176 euros for ton of the bananas delivered from the countries of Latin America. It was the longest trade conflict which has ended on December 15, 2009 due to the negotiations in Geneva. According to the contract signed by the parties, the European Union has undertaken to lower duties to 148 euros and then to 114 euros (Geneva agreement on trade in bananas- December, 2009: <http://docsonline.wto.org/DDFDocuments/t/WT/1/784.doc>).

In 1999 Europe and the USA argued concerning the American beef which according to the European Union, has been grown up by means of hormones. In reply the USA has raised taxes on the European goods. The conflict has been resolved in August of the same year with mediation of the WTO, the EU recognized improvement of quality of beef from the USA. In completion of historical digression, it is worth to say about another type of trade wars – wars for energy resources. Some experts claim that, for example, oil reserves were the main reason of war in Iraq (Clark W.: 2003, <http://www.globalresearch.ca/articles/CLA302A.html>).

Especially the USA actively participates in trade conflicts Besides already mentioned disputes over an occasion of chicken meat, cars, a salmon and bananas, they have experience of participation in "apple war" with Mexico which in 1997 has entered a compensation tariff for import from the USA of some grades of apples. It was the response to the "tomato war" lost by Mexico 1996 when Washington has established the minimum price at which tomatoes could be exported on the American market (Ицбапова Н. Н.: 2015, 19).

Trade disputes take a variety of forms, including trade remedy cases brought under a country's own national laws – with oversight via the relevant WTO Agreements – and disputes before an international body like the WTO over whether a country has breached its trade agreement obligations. National trade remedy proceedings are essentially private rights of action, allowing domestic industries to petition their government to impose measures to offset the effects of unfair trade activity. Dispute settlement at the WTO, on the other hand, is an action taken by a government challenging the actions of another government. The bulk of WTO dispute settlement cases have always, and continue to this day, to involve challenges to a member government's use of its trade remedy laws. This continued trend is itself noteworthy, in that there are so many other more interesting disputes that could be the subject of dispute settlement – for example, non-tariff barriers that are blocking foreign market access, or lax enforcement of intellectual property rights. Part of the reason for this phenomenon is that countries are very defensive about their use of their trade remedy laws, and therefore are not inclined to halt their use without a fight. This reflects an important distinction in trade disputes as compared with investment arbitration: because WTO dispute settlement is government to government, it retains an element of diplomacy that cannot exist in investment arbitration where private litigants are involved. In fight for the markets and economic superiority today all arsenal accumulated for centuries is used because it is insufficiently just to offer qualitative goods at low price. The WTO plays one of key roles in these processes, regulating conducting similar wars, creating rules of the game.

Jurisdiction of the WTO concerning settlement of disputes

The World Trade Organization has begun the activity since January 1, 1995.

It is necessary to notice that the WTO provides for the states entering into this international organization a number of economic and legal advantages, among which:

- more favorable conditions for access to the world markets of goods and services on the basis of predictability and stability of development of trade relations with the WTO member-states;
- access to the mechanisms of the WTO on settlement of disputes providing protection of national interests and elimination of discrimination; regulation of trade in mainly tariff methods;

- refusal of use of quantitative restrictions;
- realization of the current and strategic trade and economic interests by effective participation in multilateral trade negotiations at development of rules of international trade

One of main goals as it was said of the WTO is ensuring operation of the mechanism on settlement of disputes between members of the WTO.

As a result of the Uruguay Round, which lasted from 1986 to 1994, and is considered as the most successful, General Agreement on Tariffs and Trade 1994 (further-GATT) the Marrakech Agreement on the Establishment of the WTO and a number of Appendices to this Agreement, which are referred to as “covered agreements”, have been adopted and are included in the so-called “single undertaking” package (General Agreement on Tariffs and Trade -1994: https://www.wto.org/English/docs_e/legal_e/06-gatt_e.htm). These agreements are binding for all WTO members.

Generally, one of the distinctive features of the GATT is the new procedure for dispute resolution between member states in the WTO: the “Understanding on Rules and Procedures Governing the Settlement of Disputes” (DSU) (Understanding on Rules and Procedures Governing the Settlement of Disputes: https://www.wto.org/english/tratop_e/dispu_e/dsu_e.htm). There are those who state that the DSU might give a legal right to member states to defend their international and domestic trade by the means of imposition of certain measures, and reply to the unfair trade when other members fail to execute WTO legislation.

Qureshi believes that the dispute settlement system's significance for developing countries is very high. Firstly, as it was mentioned above, it provides them with legal rights. Secondly, it represents a “check against economic hegemony”. Lastly, “it is a mechanism to ensure that systemic changes brought about through the WTO jurisprudence do not undermine developing country interests and concerns” (Asif H. Qureshi: 2003, 175).

However, Shaffer and Melendez-Ortiz support the view that WTO legislation prevents the use of DSS by members (especially developing countries), who do not have legal and financial capacities (Shaffer G.: 2010, 13).

This happens due to the fact that the system of dispute settlement requires the complicated procedure of “making claims”, has limited submission times, an “appellate review system”, as well as arbitration over execution and compensation awards.

The rules and procedures of this DSU shall also apply to consultations and settlement of disputes

between members regarding their rights and obligations under the provisions of the Agreement Establishing the World Trade Organization and this Accord, taken alone or in association with any other of the agreements covered.

Peter van den Bossche defines the mechanism for resolving WTO disputes as “an obligatory and exclusive system that has a wide scope, including all issues on the settlement of disputes between members of the WTO on the compliance of the obligations assumed with the provisions of” covered agreements (Van den Bossche P.: 2013, 305).

Each member of the WTO recognizes as obligatory for itself a dispute settlement system in the WTO therefore the consent of the state which actions presumably violate obligations under agreements of the WTO to application of procedures of settlement of disputes isn't required. From the analysis of Art. 23.1. of the DSU it is clear that members of the WTO cannot take sole actions, they must address in DSB in case of doubts about respect of norms of the WTO by other state. Members of the WTO have no right to draw unilaterally a conclusion about existence of violations of norms of the WTO, cancellation or reduction of benefits or difficulty of achievement of the goals of the covered agreement (Art. 23.2. (a) DSU). The specified norm was a subject of consideration of Panel which has noted that in case of application by the member of the WTO of unilateral actions bigger harm is done to both other member states, and the market in general. In the conclusions the group has emphasized that the WTO but not the certain member state has the right to define whether there was a violation of norms of the WTO or not.

The fact that the international trade disputes following from norms of GATT and the WTO weren't considered by either the International Court of Justice, or any other international jurisdictional institution, and were a consideration subject within the WTO confirms interpretation of Art. 23 of the DSU about exclusive jurisdiction of the WTO.

For all time of settlement of disputes in the WTO one more aspect of jurisdiction concerning questions of differentiation of jurisdiction of the national and international bodies was shown, by using conventional in science of international – a dispute on *domaine réservé*. So, in case “India – Protection of patents for pharmaceutical and agrochemical products” in the appeal India has declared absence at Panel of the right to do the conclusions about the national law by means of which requirements of the Agreement on Trade-Related Aspects of Intellectual Property Rights (further – TRIPS) are fulfilled

(India – Patent Protection for Pharmaceutical and Agricultural Chemical Products: WTO Doc. WT/DS50/AB/R, 1998).

However, the Appellate Body has specified that in this case the group didn't give interpretation of the law of India; the group considered the law of India only for establishment of implementation of her obligations within the Agreement of TRIPS. The Appellate Body thus has specified that those acts of the state which are adopted within a coverage of agreements of the WTO and for implementation of obligations of the state under these agreements are excluded from the sphere of *domaine réservé* of the state and can be a consideration subject within the mechanism of settlement of disputes of the WTO.

In spite of the fact that the disputes in the sphere of international trade resolved within the WTO have a commercial basis and are connected with the enterprise purposes (key among them – generation of profit) specific individuals, legal or physical, the system of settlement of disputes created within the WTO provides that in the course of settlement of dispute only members of the WTO are able to participate. Respectively, the WTO State Parties within the system of settlement of disputes are presented by the governments. Only the governments of member countries on behalf of members of the WTO have the right for initiation of procedures of settlement of disputes, giving of representations, complaints, statements and other documents. Representatives of the governments of members of the WTO participate in meetings, hearings within settlement of disputes.

In this regard there is a question how those persons whose commercial interests are infringed by the disputable situation considered within the mechanism by the WTO (further – “Interested persons”), can influence results of consideration of a dispute, participate in this procedure. Because these enterprises or businessmen – the persons who are directly interested in the outcome of the case (for example, in cancellation of the trade restrictions contradicting rules of the WTO). Participation of representatives of Interested Persons of member states of the WTO in consideration of disputes is directly not provided by the DSU. In practice it turns out that Interested Persons, choosing the strategy of behavior for protection of the commercial interests, proceed from the principle “what isn't forbidden, it is authorized” and use the opportunities given by both internal, and international law, in particular different options of indirect participation in process on settlement of disputes in the WTO.

First, Interested Persons actively address the governments of the states, which violate DSU, demanding from them to stop violation of rules of law of the WTO, and to the government of the state (the state of registration of legal entity). In this case the member of the WTO, participating in procedures of settlement of disputes, represents the interests and protects the rights of the domestic enterprises. Examples when consideration of a dispute within the WTO has been initiated by individuals, so, the largest Japanese producers of steel – Nippon Steel Corporation, are widely known to NKK Corporation, Kawasaki Steel Corporation – initiated the appeal Japan within the procedure of settlement of disputes of the WTO the anti-dumping measures of the USA entered concerning import of some names flat carbonaceous hot-rolled mill products.

Secondly, Interested Persons can admit not direct, but so-called “behind-the-scene” participation in consideration of disputes in the WTO (active assistance to the government), for example, by rendering to the government services in providing special, industry information, research of the facts and collecting proofs and also legal support within work on preparation and conducting trial to the WTO. Among the known examples of rendering by Interested Persons of similar support to the governments it is possible to call assistance of the Kodak and Fuji companies in Japan – Measures Affecting Consumer Photographic Film and Paper (Panel Report, Japan – Measures Affecting Consumer Photographic Film and Paper, WT/DS44/R), or the Bombardier and Embaer companies in Brazil – Export Financing Programme for Aircraft. In this regard the position of Appellate Body on the one whom the states can attract to their representation within the procedure of settlement of disputes in the WTO deserves special attention.

In “the EU – Bananas” a number of the countries specified that since the beginning of action of GATT there was a practice of representation of interests of the parties by the state lawyers and experts that emphasizes interstate character of the procedure. The Appellate Body, however, has noted that nothing in texts of agreements of the WTO and also in usual rules of international law, and in practice of settlement of disputes by the International Courts of Justice forbid to the member of the WTO independently define the persons for hearings in Appellate Body. However it has explained that it doesn’t affect consideration of a dispute Panel. Following the above-stated conclusion of Appellate Body, at case “Indonesia – Cars” the Panel has

allowed private advisers to be present at meetings as a part of delegation of the member state. Thus, Interested Persons can attract to representation of interests of the state, both when considering the case by Panel, and within oral hearings in Appellate Body, lawyers, competent of the field of the international commercial law, even if they aren’t in public service (European Communities Regime for the Importation, Sale and Distributions of Bananas: WTO Doc. WT/DS27/15, 1998-2012).

Also within consideration of another matters, for instance in the case EU-Asbest 28 (European Communities — Measure Affecting Asbestos and Products Containing Asbestos: WTO Doc. WT/DS135/AB/R, 2001) and “the USA – Countervailing duties for production from lead and bismuth from Great Britain” (United States Imposition of Countervailing Duties on Certain Hot-Rolled Lead and Bismuth Carbon Steel Products Originating in the United Kingdom: WTO Doc. WT/DS 203/AB/R, 2013), the Appellate Body has specified that the Panel has a right, but not a duty to take reports of amicus curiae (friends of court) into account. In Ancient Rome amicus curiae were called the persons who didn’t have direct interest as a result of consideration of the case and presenting on own initiative to court the reasons on matters of law or the fact.

Fortunately, any member can file a complaint with the WTO against another member they believe is dumping, unfairly subsidizing or violating any other trade agreement. If the WTO decides the case is valid, it has the authority to levy sanctions on the offending country.

The staff will then investigate to see if a violation of any multilateral agreements has taken place.

Not surprisingly, the United States has been either a complainant or defendant in about half the WTO disputes. The Office of the United States Trade Representative (USTR) represents the United States in these cases. As China’s economy grows, it is involved in more trade disputes.

The benefit of the WTO process is it prevents the damaging consequences of trade protectionism. That’s when countries retaliate against offending country’s dumping, tariffs or subsidies. That creates a downward spiral which hurts both countries’ economic growth.

Trade protectionism helped extend the Great Depression, where global trade fell by 25%. Nations can apply to the WTO to resolve their dispute instead of raising tariffs.

In July 2016, the United States filed a dispute with China. It claimed China was taxing exports of high-demand raw materials.

These include antimony, graphite, and magnesia. China mines more than two-thirds of the world's supply of each of these metals. The export tax increased the prices of these exports between 5% to 20%. That put U.S. high-tech companies, such as Qualcomm and DJO Global, at a disadvantage. They must pay more for these essential raw materials than Chinese-based companies. That makes their prices higher on the global market. Their only solution is to open Chinese-based manufacturing plants. That takes jobs away from American workers (Amadeo: 2018).

The DSU has a new unified dispute resolution mechanism. The rules and procedures contained in the DSU apply to all types of disputes arising from the areas of regulation of all "covered agreements" that are part of the WTO agreement system.

In the system of law of the WTO the creation of the Dispute Settlement Body is provided.

The General Council of the WTO performs functions of the DSB. Thus, DSB consists of representatives of all member states of the WTO.

According to article 2 of the DSU the Body for settlement of disputes possesses a wide range of powers: "DSB has powers to create Panels, to accept reports of Panels and Appellate Body, to control implementation of decisions and recommendations and to allow stay of concessions and other obligations which follow from the covered agreements".

It should be noted that DSB directly isn't engaged in consideration of disputes between member states. The main goals of DSB are to control over the course of consideration of a dispute and execution of decisions and also ensuring functioning of DSB's provisions.

Creation of DSB has allowed to regulate the mechanism of settlement of disputes of the WTO. By means of this mechanism any member state of the WTO can try to obtain observance by other members of the WTO of the assumed liabilities and demand cancellation of an unreasonable measure or other violation of their interests.

On the basis of provisions of DSB it is possible to allocate the main stages of settlement of dispute: carrying out consultations, consideration of a dispute by Panel, consideration of a dispute by Appellate Body.

Besides the main stages of consideration of a dispute in the WTO there is also a number of additional conciliatory procedures, such as good offices, conciliation procedure and mediation.

1) Additional procedures of the mechanism of settlement of disputes of the WTO

These procedures have a voluntary nature, that

is can be applied only by mutual consent of the parties.

I.I. Lukashuk defines "good offices" as activities of the third party for establishment of direct contact between the parties of a dispute (Лыкашук: 2005).

In other words, when electing this conciliatory procedure, the third party doesn't take part in consideration of a dispute, and renders only assistance in negotiation. For example, provides the place for negotiation. During mediation the third party takes an active position in the course of settlement of a dispute (Колосов: 2009).

However, the intermediary independently doesn't study a circumstance of the considered dispute, and listens to positions of the parties and makes the offers, proceeding from the provided information. The decision intermediaries aren't obligatory for the parties of a dispute.

Conciliation procedure also provides active participation of the third party, besides in this case the third party is allocated with powers on studying of circumstances of the considered dispute (Трунк-Федорова: 2005).

As it has been noted above, these procedures have a voluntary nature and can be applicable only in cases of mutual consent of the parties. So, applications of these procedures in practice is carried out extremely seldom.

Stages of a dispute consideration within the WTO:

1) Consultations

According to article 4 of the DSU the first stage of settlement of dispute is consultations.

Cases when member states of the WTO can resort to the mechanism of settlement of disputes are the following:

1) In case actions of other member state of the WTO violate provisions of «covered agreements», thereby complicating achievements of any purpose of this agreement for the first state, either canceling or reducing this or that advantage provided by this agreement;

2) In cases of application by the state of the measure which isn't connected with violation of provisions of «covered agreements», but also involving the consequences provided by point 1;

3) In any other situation which also involves cancellation and reduction of benefits.

Thus, the member state of the WTO can initiate a stage of carrying out consultations if it considers that cancellation or reduction of benefits takes place.

The state requesting carrying out consultations needs to notify DSB and the relevant Council and Committees of the WTO. The state to which the request for carrying out consultations has to perform

the following operations: firstly, to answer a request within 10 days; secondly, to enter negotiations within 30 days from the moment of receiving request for carrying out consultations if the parties haven't agreed about other.

If the state which has received inquiry doesn't execute one of decree circumstances, then the state – the applicant has the right to demand immediate establishment of Panel (the following stage of the procedure of settlement of dispute). Also, if consultations have begun, but within 60 days, the parties haven't come to the common decision, then the state applicant also has the right to pass to the following stage of settlement of dispute.

Main objective of consultations, according to Peter Van den Bossche is, that carrying out consultations helps the parties of a dispute to understand actually current situation and to realize the legal requirements entering a dispute subject. Besides, consultations allow to resolve a dispute in the diplomatic way that involves successful resolution of conflict, without resorting to other procedures within the WTO.

Consultations are an obligatory stage. Nikulin E.N. defines this stage as an obligatory preliminary stage of consideration of a dispute within which about 53% of disputes are resolved (Nikulin: 2014, 78).

If during carrying out consultations states couldn't agree about the uniform decision, then the party applicant has the right to demand creation of Panel for settlement of dispute.

2) Consideration of a dispute by Panel

Panels are formed of highly qualified specialists who taught the international commercial law or trade policy, or had publications in this area, or served as the senior officials concerning trade policy of one of WTO member states. These requirements to candidates are established in the article 8 of the DSU.

The Panel is formed by the Secretariat which proposes to the parties of a dispute nominated for the choice as Panel. Also in compliance with article 8 citizens of the states of a dispute, or the citizens acting in this dispute as the third parties can't be a part of Panel. So, according to S.Yu. Kashkin "The persons designated by members of Panel irrespective of the official capacity faces, are obliged to carry out the tasks only in personal quality and not tied by any instructions from members of the WTO" (Kashkin: 2014, 112).

Powers of Panel are defined in the special document on competence – Terms of reference.

Main objectives of Panel are to study the question submitted to DSB and to draw conclusions

which will help DSB to formulate recommendations or to make the decision.

The Panel acts ad hoc, which means that it is not permanent body like Appellate Body, and is created for consideration of each concrete case.

It is connected, first of all, with the requirement about national identity of candidates for the structure of Panel and also with criteria of the professional qualities necessary for selection (Baimagambetova Z.M., Gabdulina A.: 2017, 70).

Considering that such countries as the EU and the USA, most often act as the parties of a dispute or the third party in consideration of a dispute, it is obvious that citizens of these countries extremely seldom become members of Panel (Cottier Th.: 2003, 187).

Firstly, within 20 days from the moment of decision about creation of Panel, it accepts the document on the powers. Secondly, within 20 days the issue of the structure of Panel is resolved. Considerations of a dispute by Panel can't exceed 6 months, however, this term can be prolonged, if extra time is required, but the term of consideration of the case can't exceed 9 months. At the end of consideration of a dispute by Panel the final report is created and sent to the DSB for a statement.

So, article 15 of the DSU has provided drawing up the interim report which comprises: descriptive part and conclusion. The interim report is sent to the parties of a dispute and if during the term established by Panel, the parties don't direct the comments, then this interim report is recognized as final. The final report is subject to the approval by the method of negative consensus.

The final report has to be approved not less than 20 days from the moment of distribution between member states in time, but this term can be prolonged up to 60 days. However, the report can be not approved in case if the party or both parties have reported about the desire to appeal against the report of Panel in Appellate Body.

3) Appellate Body

Activity of Appellate Body and order of appellate procedure is regulated by the DSU and the Document "Working Procedures of the Appeal".

Only the parties of a dispute have rights for the appeal; all third parties can only furnish written explanations on matter, and in cases of need to be listened in Appellate Body.

The parties have the right to appeal against the decision of Panel only on matters of law. The Appellate Body doesn't consider and doesn't estimate the actual circumstances of a dispute. In other words, the Appellate Body can't "go beyond" the report of Panel and can't estimate the actual

circumstances of this dispute; and also can't return case for new consideration of Panel.

According to article 17 of the DSU, the Appellate Body can confirm, change or cancel withdrawals of Panel on settlement of a dispute. The Appellate Body includes persons, who have proved the competence in law, international trade and in the general questions falling within the scope of "covered agreements".

The Appellate Body consists of seven members, but each concrete case is resolved by three members of Appellate Body, one of whom is a chairman.

Members of Appellate Body are elected for the term of 4 years, however, this term can be prolonged for 4 years. The Appellate Body has to resolve the complaint within 60 days, however this term can be prolonged, but can't exceed 90 days.

Appellate Body, as well as Panels submit recommendations in the form of reports for further acceptance by DSB.

It should be noted that trial in Appellate Body is confidential, along with consideration of a dispute by Panel and consultations.

It is necessary to consider a question of confidentiality of process of settlement of dispute in more detail.

The procedure of consideration of a dispute within the WTO is confidential. Only the representatives of parties are able to be when considering the case (Smbatian: 2014, 63).

Intermediate reports and also final reports of Panel and Appellate Body are confidential until they aren't submitted to the parties of a dispute. Reports become available for public acquaintance when they are submitted to members of the WTO.

Even during the initial stage of the DSU mechanism for resolving disputes, the consultations stage, there are problems with the degree of clarity required in requesting consultations. Articles 4, 6 and 7 of the DSU require that the parties requesting panels, should the consultations stage fail to yield a compromise, fully explain the basis of their complaints. Once claims go to a panel, parties cannot revise them at a later time. Such a requirement only makes sense in ensuring the fairness of the panel hearings. To draw a parallel, United States Federal Courts prohibit the altering or amending of pleadings once entered unless such an amendment would not unduly prejudice the other party. Unfortunately, the current DSU fails to state how clear complaints must be during the consultations stage." This is a substantial shortcoming of the entire DSU process. It is fundamentally unfair if one party enters into an

attempt to avoid the formal dispute settlement process without being fully informed.

Disclosure of given information can entail negative consequences for policy or economy of the concrete state and its citizens, that is why the principle of confidentiality is designed to protect the most important information about circumstances.

So, for example, the USA is among the countries supporting the solution of this problem aside providing more transparency of the procedure of the WTO.

However, in the statement for reforming of system of settlement of disputes, they also provide need of maintaining confidentiality of information. On the website of the Trade Mission of the USA the document containing offers on improvement of system of settlement of disputes of the WTO and their position about confidentiality and transparency is published. This position is expressed in need of modification of the DSU, which will allow to provide openness of statements of the parties of a dispute and also to provide publicity of consideration of a dispute of Panel and Appellate Body, by publication of the written version of the course of consideration of the case by Panel and hearings of Appellate Body, but only in that part which doesn't contain confidential information.

Thus, the approach offered by the USA seems to be the most compromise. The principle of confidentiality of the procedure of consideration of disputes in the WTO can't be completely liquidated as it will cause negative impact on the political and economic interests of the states – the parties of a dispute. However, publication of the written version of hearings and also statements of the parties, will allow to provide public control over the course of consideration of the case.

However, during the Uruguayan round, big support was got by the position maintaining the principle of confidentiality. Confidential character of the procedure of consideration of a dispute allows avoiding political pressure from the most developed states, to exclude lobbying of interests of this or that country by consideration of a dispute and also to provide adoption of the reasonable and objective decision independent of a world political situation.

According to the article 19 of the DSU if the Panel or Appellate Body come to a conclusion that the measure applied by one state doesn't correspond to "covered agreements", then they make decisions and recommendations (further – decisions) about reduction of this measure in compliance with the obligations within the WTO.

As it has been noted earlier, Panels and Appellate Body make decisions in the form of the final report which is sent to DSB for a statement.

Thus, DSB doesn't make decisions as by rules of negative consensus, adoption of recommendations has automatic character. Feature of "negative consensus" is that for adoption of decision only the "silent" consent of the states – members of the WTO is necessary.

Thus, practical use of the principle of "negative consensus" gives automatic character to all procedure of settlement of disputes in the WTO, it is difficult to present that the state – the member of the WTO in advantage which that has been passed or other the decision will express the disagreement with adoption of this decision.

"The dispute settlement system within the WTO is a crucial element in safety and predictability of world system of trade" – the text of the DSU on rules and procedures of dispute settlement says.

Conclusion

In this work it is shown that in the second half of XX-nd century many states of the world have begun to use widely regulation of the international trade relations by means of multilateral contracts. For the purpose of development of the international economic cooperation in 1947 they have signed the General Agreement on Tariffs and Trade, and in 1994, on its basis – the Agreement on creation of the World Trade Organization.

Nowadays, The World Trade Organization is the most powerful international economic organization. Its universal character is shown in the whole range of the international agreements devoted to various aspects: the organization of foreign trade, ensuring equal access to the markets, freedom of movement of goods, services, legal regulation of technical barriers in trade, protection of the competition, regulation of industrial policy and agriculture in member states and also other the questions, major for modern economic law and order.

Within the WTO the Arrangement on the rules and procedures regulating settlement of disputes has been accepted. Many problems which have appeared

as a result of the practical application of GATT-47 have been solved due to systematization of practice on settlement of disputes, establishment of terms of procedures of dispute settlement. Besides, one of the main GATT-47 problem, concerning use of the principle of «absolute consensus» also has been solved by introduction of new rules about adoption of proceeding decisions by means of so-called «negative consensus» which has given automatism to all system of decision-making of DSB.

The author has mentioned certain problems facing developing countries in WTO litigation. Some developing countries are reluctant to enter into discussions with developed countries. This happens because of several factors. The first factor is lack of legal capacity, such as the shortage of competent specialists, lack of legal expertise in WTO law, and no clear division of responsibility between public bodies within the government structures. The second factor is lack of domestic resources in terms of both finance and duration of proceedings. Participation in disputes is very expensive and might take a very long time. Consequently, the duration of the dispute process might lead to significant expenses being incurred. The third factor involves political issues or the fear of political and economic pressures that emerge when developing countries cannot join discussions critically due to the on-going concurrent financial support from developed countries. The fourth factor concerns language barriers. The complexity of processes does not fully allow representatives of developing countries to equally compete in foreign languages with native speakers during disputes. They struggle to reply and analyze opponents' arguments as quickly as native speakers, even if fluent in the languages of the WTO: English, French and Spanish.

To resolve such problem the budget of the WTO and the number of its experts needs to be expanded in order to successfully provide equal opportunities to all its participants. Not all states are informed about their rights for consultation with well-qualified specialists. The DSB should explain states their rights and opportunities concerning participation in the WTO disputes.

References

- 1 Nazarbaev N.A. Vstúplenie v VTO býdet sposobstvovat integratsii Kazahstana v mirovýy ekonomíy. – 2015 // <http://atameken.kz/ru/news/18804-nursultan-nazarbaev-vstuplenie-v-vto-budet-sposobstvovat-integracii-kazahstana-v-mirovuyu-ekonomiku>
- 2 Amrbekova A., Galiamov R. Participation Constraints in the WTO Dispute Settlement: Considering Kazakhstan// Journal of World Trade – Volume 50.- March, 2016 Issue 2. – S. 333-365.

- 3 Fallows J How The World Works // Atlantic Magazine- December, 2012. <http://www.theatlantic.com/magazine/archive/2012/12/how-the-world-works/5854/2/>
- 4 The General Agreement on Tariffs and Trade-1947. https://www.wto.org/english/docs_e/legal_e/gatt47_01_e.htm
- 5 Geneva agreement on trade in bananas December, 2009. <http://docsonline.wto.org/DDFDocuments/t/WT/1/784.doc>
- 6 Clark W. The real reasons for the upcoming war with Iraq: a macroeconomic and geostrategic analysis of the unspoken truth // John Hopkins University, 2003. <http://www.globalresearch.ca/articles/CLA302A.html>
- 7 Shebarova N. N. Torgovye konflikty i mirovoi opyt ih yregulirovaniya // Problemy sovremennoyi ekonomiki. – № 3 (7), 2015. – S.19-23.
- 8 General Agreement on Tariffs and Trade – 1994. https://www.wto.org/English/docs_e/legal_e/06-gatt_e.htm
- 9 Understanding on Rules and Procedures Governing the Settlement of Disputes. https://www.wto.org/english/tratop_e/dispu_e/dsu_e.htm
- 10 Qureshi Participation of Developing Countries In The WTO Dispute Settlement System //Journal of African Law. – Vol. 47, No. 2. – 2003. – S. 175.
- 11 Shaffer G. Dispute Settlement at the WTO. The Developing Country Experience.// CUP, 2010. – P.13-16.
- 12 Van den Bossche P. The law and policy of the WTO: text cases and material //Cambridge. – 2013. – S.305.
- 13 India – Patent Protection for Pharmaceutical and Agricultural Chemical Products. – WTO Doc. WT/DS50/AB/R, 1998.
- 14 European Communities Regime for the Importation, Sale and Distributions of Bananas. – WTO Doc. WT/DS27/15, 1998-2012.
- 15 European Communities – Measure Affecting Asbestos and Products Containing Asbestos. – WTO Doc. WT/DS135/AB/R, 2001.
- 16 United States Imposition of Countervailing Duties on Certain Hot-Rolled Lead and Bismuth Carbon Steel Products Originating in the United Kingdom. – WTO Doc. WT/DS 203/AB/R, 2013.
- 17 Amadeo K. How the WTO resolves trade disputes //The balance Journal.-2018. <https://www.thebalance.com/how-does-the-wto-resolve-trade-disputes-3306363>
- 18 Lýkashýk I.I. Mejdýnarodnoe pravo: osobennaya chast: ýchebnik dlia stýdentov ýýridicheskikh fakýltetov i výzov.-Izd.3-e,pererab.i dop.-M.: Volters Klýver, 2005. – 517 s.
- 19 Kolosov Íý.M. Mejdýnarodnoe pravo: ýchebnik. – M.: Vysshee obrazovanie, Íýrait-Izdat., 2009. – 1012 s.
- 20 Trýnk-Fedorova M.P. Razreshenie sporov v ramkah VTO. – Izdatelstvo ýýridicheskogo fakýlteta S. – Peterbýrgskogo gos. ýniversiteta, 2005. – 59 s.
- 21 Níkýlin E.N. Pravovye osnovy mehanizma razresheniya sporov VTO // Agrarnoe i zemelnoe pravo. – №12 (120). – 2014 g. – 78 s.
- 22 Kashkin S.Íý. Integratsionnoe pravosýdie: sýnost i perspektivy: monografiya // INFRA-Moskva, 2014. – 112 s.
- 23 Baimagambetova Z.M., Gabdulina A.Zh. Features resolving trade disputes under the WTO // Fundamentalis scientiam №4 (5). -Spain. – 2017. – S. 70-72
- 24 Cottier Th. The WTO Permanent Panel Body – A Bridge Too Far? // Journal of International Economic Law. – Vol. 6. No. 1. – 2003. – S. 187–202.
- 25 Smbatian A.S. Protsedýra razresheniya sporov VTO // Pravo VTO. – № 2. – 2014. P.63-68.

II • INTERNATIONAL RELATIONS

IRSTI 11.25.43

¹Sarbayeva R.E., ¹Barlybayeva S.Kh., ²Brown M.

¹Al-Farabi Kazakh National University, Almaty, Kazakhstan

²Wyoming University, USA

E-mail: tv.headmaster@gmail.com

COMMUNICATION VECTOR OF EURASIAN INTEGRATION

Abstract. Dialogue and mutual enrichment of civilizations, countries, regions by means of international contacts and cooperation are detrimental conditions for the harmonious development of the world. The coexistence of world and national communication systems can be designated as a two-sided process of internationalization, on the one hand, and localization, on the other, affecting each other. The Eurasian integration started to be discussed in the nineteenth century. Prominent figures of that period formed the idea of Eurasianism. Only a century later in the 21st century this idea manifested itself in the form of a large-scale unification, a state project, a scientific concept. The concept of Eurasianism is multifaceted. It includes a whole range of ideas, trends, directions. Both concepts of “Eurasianism” and “Eurasia” are historical, civilizational and geopolitical ones. The integration process in the format of the Eurasian Economic Union is an integral part of the global unification in the post-Soviet space. This factor was influenced by many constituents: cultural, regional, linguistic, as well as by former cooperation of countries. The dynamic process of creation and establishment of regional economic entities in the modern world, involving many countries, reflects progressive trends and reveals certain problems in the development of integration processes. Today, there are a number of priority areas that need to be developed within the framework of the Eurasian Economic Union. The creation of a unified information and scientific potential of the member-states of the Eurasian Economic Union (EEU) remains an important task. Taking into account the interests of other countries, the unification should create a single information field, which would position it at a qualitatively new level.

Key words: Eurasian integration, East and West communication, Eurasian centers, mass media, Eurasian Economic Union.

Аңдатпа. Әлемнің үйлесімді дамуы өркениеттердің, елдердің, өңірлердің халықаралық байланыстар мен ынтымақтастық арқылы өзара байыту үрдістеріне мүмкіндік тудыру арқылы айқындалады. Әлемдік және ұлттық коммуникация жүйелерінің өмір сүруі бір жағынан, бір-біріне әсер ететін интернационалдандырудың екіжақты үдерісі ретінде белгіленуі мүмкін. Еуразиялық интеграция туралы XIX ғасырдан бастап айтыла бастады. Сол кезеңнің көрнекті тұлғалары еуразияшылдық идеясын қалыптастырды. XXI ғасырда ғана осы идея ауқымды бірігу, мемлекеттік жоба, ғылыми тұжырымдама түрінде көрінді. Ол толыққанды идеялар тоғысы мен көп қырлы тұжырымдардан, бағыттардан тұрады. «Еуразияшылдық» және «Еуразия» – бұл тарихи, өркениеттік және геосаяси түсінік. Еуразиялық экономикалық одақ форматында интеграциялық процесс посткеңестік кеңістіктегі жаһандық бірігудің ажырамас бөлігі болып табылады. Бұл факторға көптеген компоненттер әсер етті: мәдени, аймақтық, лингвистикалық, сондай-ақ елдердің бұрынғы ынтымақтастығы. Көптеген елдерді қоса алғанда, қазіргі әлемдегі аймақтық экономикалық субъектілерді құру және құрудың динамикалық үрдістерін бейнелейді және интеграциялық үдерістерді дамытуда белгілі бір проблемаларды анықтайды. Бүгінгі таңда Еуразиялық экономикалық одақ шеңберінде дамуы қажет бірқатар басым бағыттар бар. Еуразиялық экономикалық одаққа (ЕАЭС) қатысушы елдердің бірыңғай ақпараттық және ғылыми әлеуетін құру маңызды міндет болып қала бермек. Басқа елдердің мүдделерін ескере отырып, біріктіру арқылы сапалы жаңа деңгейге жеткен бірыңғай ақпараттық өрісті құру қажет.

Түйін сөздер: Еуразиялық интеграция, шығыс және батыс коммуникациялары, еуразиялық орталықтар, бұқаралық ақпарат құралдары, Еуразиялық экономикалық одақ.

Абстракт. Диалог и взаимное обогащение цивилизаций, стран, регионов через межнациональные контакты и сотрудничество являются определяющими условиями гармоничного развития мира. Сосуществование

мировой и национальных коммуникационных систем можно обозначить как двусторонний процесс интернационализации, с одной стороны, и локализации – с другой, которые влияют друг на друга. О евразийской интеграции заговорили еще в XIX веке. Выдающиеся личности того периода сформировали идею Евразийства. Лишь спустя столетие в XXI веке эта идея проявилась в виде масштабного объединения, государственного проекта, научной концепции. Концепция Евразийства многогранна. Она включает в себя целый спектр идей, тенденций, направлений. «Евразийство» и «Евразия» – это и исторические, цивилизационные и геополитические понятия. Интеграционный процесс в формате Евразийского экономического союза является неотъемлемой частью глобального объединения на постсоветском пространстве. На этот фактор повлияли многие составляющие: культурные, региональные, языковые, а также бывшее сотрудничество стран. Динамичный процесс создания и становления региональных экономических образований в современном мире, включающий многие страны, отражает прогрессивные тенденции и выявляет определенные проблемы в развитии интеграционных процессов. На сегодняшний день существует ряд приоритетных направлений, которые необходимо развивать в рамках Евразийского экономического Союза. Важной задачей остается создание единого информационного и научного потенциала стран-участниц Евразийского экономического союза (ЕАЭС). Учитывая интерес со стороны других стран, объединению необходимо создать единое информационное поле, которое его позиционировало на качественно новом уровне.

Ключевые слова: Евразийская интеграция, восточная и западная коммуникация, евразийские центры, средства массовой коммуникации, Евразийский экономический союз.

Introduction

The integration process in the format of the Eurasian Economic Union is an inalienable part of the global unification in the post-Soviet space. This factor was influenced by many constituents: cultural, regional, linguistic, as well as by active cooperation of the countries of the post-Soviet space. The dynamic process of creating and establishing regional economic entities in the modern world, involving many countries, that reflect progressive trends and provide participants with great economic benefits, at the same time complicate the process of determining their place and role in the world community.

The article is devoted to the communication vector of the Eurasian integration, the information space of the Eurasian Economic Union (EEU), since one of the tasks of the EEU is to provide the CIS countries with full information about the goals and objectives of the Eurasian project, because this idea should be clarified for the generation that grew up in conditions of independence. Considering the fact that the foundation of the EEU was laid in the 20th century, at the present time there is no integrated picture of the development of the integration process in the information aspect in the post-Soviet space. In this article, the authors will try to fill this gap.

Theoretical-methodological bases of the article

The Eurasian integration began to be investigated in the nineteenth and early twentieth centuries, the prominent figures of that period formed the idea of Eurasianism: A.Trubetskoy, P.Savitsky, N.Vavilov, L.Gumilev. The philosophy

of “Eurasianism” was carried through the whole life by: N. Berdyaev, L. Gumilev, M. Adji, M. Barmankulov, B. Momyshuly, A. Chizhevsky, O. Suleimenov and many other researchers, historians, writers, educators. Professor Z.O.Ibrashev initiated the Eurasian scientific school in KazNU named after al-Farabi. Under his leadership, monographs and scientific collections on the development of the Eurasian Economic Union were published annually.

A century later, the idea of «Eurasianism» manifested itself in the form of a large-scale unification, a state project, a scientific concept, the implementation of which took place in the twenty-first century. The sources of the research are the speeches, articles and works of the heads of states of the Eurasian Economic Union, the works of Kazakh, Russian and foreign scholars, diplomats on the development of Eurasian integration, and specifics of eastern, western and Eurasian communication.

The main research methods are: the principles of historical, dialectical, complex and system analysis, basic concepts of the development of the Eurasian integration, conclusions of sociological investigations of the Eurasian space society, the generalization of historical, socio-political and information phenomena acting as the main factors of mass communication processes.

Discussion

Great Abay noted that «the Western way of development, which is active and dynamic, brings tangible external goods to people, but drains spirituality, while the eastern one, despite being contemplative and seemingly passive, is driven by intense continuous spiritual work behind seeming latency.» Bakhytzhhan Momyshuly wrote

that awareness of this pushed Abay to create the philosophical school of «Imani-Gul. Imani-akhyl», which was supposed to contribute to the development of these two ways, being just different sides of one phenomenon and having a single source ... Remaining in the past, one civilization passed on to the future its mentality, customs and traditions that formed a special spiritual and energy corridor with the cultural wealth of many peoples, that are even forgotten and seemingly disappeared from the surface of the Earth. The realization of this awakens from the severe slumber of incompleteness and leads to the great ideal of Oneness through rapprochement and unification» [1].

In the studies of L.N. Gumilev, the Eurasian continent, its middle part, is considered as a place of the formation of civilization on the basis of the Turkic-Slavic ethnoses. The historic alliance of the Forest and Steppe determined the character of the culture of this civilization, its geopolitical destiny. The geopolitical synthesis of the Forest and Steppes in the central part of Eurasia ensures its socio-cultural stability, regional security and strategic control over its western and eastern parts. This, in its turn, acts as a guarantee of civilizational diversity, which does not tolerate the superiority of Western civilization over all others. [2]

Eastern and Western communication models adduce an interesting contrast regarding their goals, the means to achieve these goals and the role of personalities in the communication process. In the Western perspective – the role of communication in the establishment and maintenance of political, social and economic freedom for the individual. This function of communication has both historical and contemporary significance. Historically, the goal of communication in the East is to achieve spiritual harmony between man and nature.

In his work of «West and East», an academician N. I. Konrad wrote: «The history of every nation is always connected with the history of its neighbors. This connection, of course, can be very different – in terms of character, intensity, and scale, but it always exists» [3].

Differences in the preferences of Americans and Singaporeans are indicative:

- an organized society – 71% of Asian respondents versus 11% of American ones
- personal freedom – 82% of Americans versus 32% of Asian ones
- individual rights – 78% of Americans versus 29% of Asian respondents [4].

The differences in the systems of universally recognized values should be remembered in the

development of global information processes. Experts argue that the Eastern and European communications differ significantly from each other. European communication is about maximum information, based on the logical alignment of the text. Not so much to think as to reason. Truth is comprehended in dispute. Eastern communication is that of minimum information, depending on the constantly changing situation. The message is issued immediately, as a whole, as an impulse to the mind. Truth is comprehended in silence. The main thing is not to confirm your opinion, but to not interfere with the other. Modern psychology, according to experts, prefers silent communication.

The coexistence of world and national communication systems can be designated as a two-sided process of internationalization, on the one hand, and localization, on the other, that affect each other.

Canadian researcher M. McLuhan predicted that the East would strive towards the West, and the West would be embraced by oriental studies. The key to peace is to understand both systems simultaneously [5]. And no matter how different Eastern and European civilizational and communication models are, the creation of an information society smooths out all sorts of unique features, adjusting them to a universal world view.

Faced with the problems of «Westernization», scientists increasingly refer to the Eurasian principle of a civilization of openness of culture, constructive interaction between the countries of the East and the West. The President of Kazakhstan, N.A. Nazarbayev, noted: «The mutual understanding between East and West is based on knowledge of each other's features and contains huge opportunities that will be brought to the benefit of our countries and peoples.»

The information epoch means the expansion of human contacts, exchange of cultural values, enrichment of the practice of social life. Synthesis of the eastern and western styles of attitudes toward man, society, and the state gives an impetus to the further development of civilization.

Kazakhstan is a «successful synthesis between the Asian East and the European West,» as the researchers note. As a Eurasian state, located at the junction of the East and West, which is a bridge between two continents, our country has been absorbing all the best from the West and from the East. This is evidenced by: Kazakhstan's entry into the Eurasian Economic Union, the ancient Silk Road, and the current Trans-Asian-European (TAE) communication highway that connects the East and the West.

«International practice shows that the key goal of a veritable integration is the creation of a single space that should be consolidated by strong ties being not only economic, but also social and cultural ones, and covered with a reliable security shield. The Eurasian project envisages the creation of a single economic, customs, humanitarian space. The priority principles for the formation of a new integration model are: a pragmatic approach to integration, economic expediency and voluntary association of states» [6]. The President of the Republic of Kazakhstan N.A. Nazarbayev noted that good-neighborliness, equality, fair cooperation are necessary conditions for the economic integration of the CIS countries. Other integration projects can be implemented only on this basis. «The Eurasian Economic Union can become a major viable regional association capable of bringing the countries of Eurasia out of the destructive influence of global instability. The integration in the Eurasian space includes three dimensions: economic, military-political, cultural-humanitarian» [7].

Within the framework of integration processes over the past years, there has been a definite trend towards the creation of a system of information interstate interaction. At the same time, each country seeks to contribute to the integration processes. The comprehensive development of the Commonwealth countries is constantly informed by the interstate TV company «Mir». In Kazakhstan, «1st channel-Eurasia» functions, actively covering events in the CIS countries. «RTR-Russia» television channel, in the framework of the «Vesti» news program, highlights news from the Eurasian community.

In the mass media, there is a wide discussion and coverage of the issue regarding information support of the Eurasian integration project and communicatory interaction in the post-Soviet space. This is evidenced by numerous international conferences, round tables, the creation of non-profit organizations such as Eurasian Integration, the Eurasia Heritage Foundation, the development of Eurasian research centers in Almaty, Astana, Moscow, Minsk, St. Petersburg, Yerevan and other cities.

The integration project – the Common Economic Space of Kazakhstan, Russia, Belarus, launched on January 1, 2012, found a wide response in the mass media, in the development of social institutions, scientific centers. They are the International Eurasian Movement in Moscow, the Department of Sociology of the Faculty of International Relations of the Moscow State University, the Belarusian Technological University – there is the Eurasia

Center, the Abay Center, the Eurasia Center in Yerevan University, and there is also the Eurasian Center in Astana at the Eurasian University named after L. Gumilev.

The idea of Eurasian integration increasingly finds its supporters in the post-Soviet space, and even more so in Kazakhstan, where President Nazarbayev in 1994 first proposed the idea of creating a Eurasian Union, speaking at the Moscow State University after M.V Lomonosov. 17 years have passed and in October 2011 the articles of the leaders of three countries: Kazakhstan, Russia and Belarus – N.Nazarbayev, V.Putin and A.Lukashenko were published in the newspaper of «Izvestia», in which the idea of formation of the Eurasian Economic Union was put forward. These articles of the leaders of the states gave impetus to the creation of the Eurasian Research Center at the Kazakh National University named after Al-Farabi, which was founded by its head, director – Zharas Omarovich Ibrashev (unfortunately, 2 years ago, he passed away).

Since January 2012, the Center has been actively developing. Professor Z.O.Ibrashev initiated the Eurasian scientific school at KazNU named after al-Farabi. Under his leadership, monographs and scientific collections on the development of the Eurasian Economic Union were published every year. This is known from these books:

- «The idea of the Eurasian Union meets the spirit of the times» (2012)
- «The idea of the Eurasian Union and state sovereignty» (2013)
- «The economic factor of the Eurasian integration» (2013),
- «Eurasianism: history, theory, practice» (2014),
- «Eurasian idea of President N.Nazarbayev and its development» (2014)
- «The idea became a reality» (2015) and many others.

The Eurasian Center at KazNU conducts international conferences, republican round tables, workshops for scientists, teachers and students, publishes books, monographs, scientific collections, attracts more and more like-minded people to the study of Eurasian integration, establishing cooperation with centers and universities where the Eurasian integration is studied.

In June 2017, the International Conference «Eurasian Integration as a Response to the Challenges of the 21st Century» was held, dedicated to the memory of Zharas Ibrashev, the founder of the Faculty of International Relations

and the first Director of the Eurasian Research Center. The main topic of discussion was the urgent problem of Eurasian integration, Eurasian identity, modernization of public consciousness in the context of modern international and regional processes.

As the experts note, the integration process in the format of Eurasianism is an integral part of global unification in the post-Soviet space. This factor was influenced by many constituents: socio-economic, cultural, regional, linguistic, as well as active cooperation of the CIS countries.

“The market of the Eurasian Economic Union is the connecting and inevitable link between the East and the West,” said N. Onzhanov, an assistant of the President of the Republic of Kazakhstan, former Ambassador of the Republic of Kazakhstan to the Federal Republic of Germany. “Kazakhstan has a certain advantage in the form of common borders with such key markets as Russia and China, we also border on the growing market of Central Asia. Through the Russian Federation and the People’s Republic of China, we are opening European and Asian markets and access to the sea. Infrastructure projects such as the Western Europe-Western China highway and the Kazakhstan-Turkmenistan-Iran railway contribute to the growth of our transport attractiveness and the creation of transcontinental bridges. Thus, Eurasian integration in the future will bring many benefits to the countries of the European Union as well. In the economic plan for the European Union, the unification of our countries is the synergy of the markets for goods and services” [8].

The topic of Eurasian integration in Kazakhstan is one of the most discussed ones, and mass media attaches much attention to it. As noted by Doctor of Historical Sciences, deputy director of KISS (Kazakhstan Institute of Strategic Studies) Lesya Karataeva: “Integration, the results achieved during it included in our news programs, are present in the Internet space, in print. We publish a lot of analysts on this topic, the books are issued. Sociological measurements show that the overwhelming majority of the population supports this vector. Nevertheless, one can not call this support absolute. We have a discourse that fixes criticism of integration processes. We can say that there are some grounds for criticism. The volume of exports of Kazakh goods decreased, of imports – increased. That is, the balance was not in favor of Kazakhstan. It is necessary to take into account such dynamics, to reveal its causes and to work further. It is obvious that there is no alternative to Eurasian integration” [9].

Increasingly, one can hear that there is no single picture of the Eurasian integration. To a greater extent, there is an omission on the part of the mass media in this. As we see, the process of Eurasian integration has a fairly long history. The population has not yet been able to form a single picture of the Eurasian integration. The media does not fully cover integration processes, there is little statistical data in the media, almost no coverage of the prehistory of the development of Eurasian integration in the nineteenth and twentieth centuries, there is no extended expert opinion on the prospects of the Eurasian Economic Union, problems and ways to solve it.

The media could play a key role in this direction, as the population, state and commercial organizations, businesses need qualitative information about the development of the EEU, sales markets, potential companies that could be cooperated with, and which joint ventures could be created with. In Kazakhstan, there are over 20 qualitative business portals and online sites that write on the topic of new start-ups, namely of Kazakhstan content. Of course, this is a good trend, then it would be more useful if the content in the media contained information on how to build relationships, establish cooperation. For example, on one of the Kazakhstani information sites there is an article on the cooperation of countries. “It is also important to understand something else: in order to develop further, the country needs to expand its sales markets. The Eurasian Economic Union is an ideal option. What is important, this does not at all hinder the integration of Kazakhstan in other areas. On the contrary, various initiatives organically complement each other. These include projects to create a new Silk Road. The territory of the participants in the Eurasian project is a transit space that connects the East and the West. And already along this route, a single transport and logistics system is being built that will become one of the drivers of the growth of the Eurasian economy” [10].

In the context of discussing the economic potential of countries, it is impossible to underestimate the role of the media in shaping public opinion among the population. Mass media plays a constructive role in ensuring peace and stability, in covering and informing citizens of Eurasia. I refer to the Chinese social and political leader Cheng Guoping, who said that the SCO countries are “not only members of a community of common mutual interests, but also members of a community of common destiny.” The essence of his statement can be attributed to the countries of the Eurasian Economic Space.

The Eurasian project should have a social and humanitarian strategy to make the population and the media audience feel benefited from this integration, learn about the pros and cons of it. The information space, which could be presented within the framework of the EEU, has been recognized by experts as heterogeneous to this day. Of course, there is a definite necessity for the formation of a single information field. The creation of such a space would be a very good trend for a common understanding of the economic market between countries. The implementation of such a project could be a good example of true freedom of speech. In the context of a single information space, such an example could be very contagious.

In addition, to create a media market in Central Asia, to improve the technological level of the telecommunications space, it is very important to establish cooperation among the mass media and the exchange of operational news information. It is necessary to start training qualified personnel within the regional media organization, as well as create a kind of Central Asian media alliance with the support of an international structure that has its own interests in the region according to the already existing models of European cooperation and integration measures, incl. in the communication field. The implementation of even a small part of proposals of this nature would mean substantive cooperation in the humanitarian sphere – that is, in the field that is spoken about very much, but less than in the field of economy and politics. [11]

In the expanding media space, printing, analogue radio and television are perceived as “old”, while traditional mass media, new information delivery channels and information itself based on digitalization, that is, the transition to a digital standard, is defined as “new media”. This is the Internet, Internet broadcasting, network publications, social networks, cable-satellite, digital broadcasting, interactive television, blogosphere, mobile telephony, video format. The change in the nature of communication became a feature of the new media. In them, it is difficult to distinguish the mass and personal form of communications, mass and non-mass media. Consumption of new media has and will have a more individual character [12].

Mass media has become one of the components of the psychological and social environment of mankind, it pretends, and not without reason, for the role of a very powerful factor in shaping the worldview of the individual and the value orientation of society. It has leadership in the field of ideological influence on society and the

individual. It has become the translator of cultural achievements and undoubtedly actively influences on the acceptance or denial of society and of certain cultural values. But the mass media itself takes part in the formation of these values, and these processes often remain poorly studied.

This is partly due to the traditional functional characteristics of the media, which determine the scope of its influence. In order to find out the way the media influences the formation of the society's value orientation, first of all, it is necessary to single out certain meanings and concepts as ideal, for the sake of which all the activities of society are carried out and which its representatives are ready to subordinate their interests for. Such a rational ideal, as well as the absolutization of the rationality of the behavior of society and the individual, are constantly created by the media [13].

As experts note, regional integration is also important. It should not be forgotten that regional media, especially in the post-Soviet space, are the core of the unification process. In the opinion of Marina Lapenko, director of the Eurasia-Povolzhie IAC, the EEU has a high potential in terms of cross-border cooperation. In this case, the media should be included in the information activity on the territory of the border regions of the Union member-states. To do this, it is necessary to train experts, to interest the media, to establish relationships between regions, with a view to spreading mutually beneficial projects that contribute to a tangible increase in the standard of living of citizens.

As S. Abdymanapov rightly notes, Kazakhstan Eurasianism can not and should not, for example, copy Russian Eurasianism, especially since there are very different versions in Russia itself. No one has a monopoly on the Eurasian theme. The main difference of Kazakhstan Eurasianism is that it is a product of a new sovereign country, confidently looking to the future.

Despite the fact that the Eurasian idea is common for the EEU member-states, there are different priorities in the directions within the Union. It is important for society to understand that Eurasian integration is one of the most important themes for modern Kazakhstan. Mutual understanding and trust to each other can be formed from the context of understanding the interests of the EEU member-states.

In recent years, entire systems for building international relations at the international level between countries have been established. This trend, of course, contributed to the status of the country. For example, holding international events such

as the VII Winter Asian Games, the Universiade, EXPO 2017, the summit of the Organization for Security and Cooperation in Europe (OSCE) formed a positive and favorable image of Kazakhstan not only in the post-Soviet space, but throughout the world.

At the information site tengrinews.kz, which occupied the top position on attendance in 2017, a query on the topic "Eurasian Economic Union" found 905 articles. The articles are mostly signed under the economic heading (markets, finance, CIS, news of Kazakhstan). 574 publications on the topic of Eurasian integration were found on the site azattyq.org. Articles are mostly published under a political heading. The headlines of the publications mainly contain a question. On the website of the newspaper "Vremya" time.kz, 335 publications on the Eurasian association were found. The articles were published both in the newspaper and on the website. The articles are under the heading of Kazakhstan's economy not only in the post-Soviet space, but throughout the world.

In Kazakhstan, with the acquisition of sovereignty, a new system of mass media was formed. The globalization of the information process activates the development of the economy, science, culture, education, raises interest in local mass media. Information processes are global, but they have a national specificity of the state in which they occur.

In April 2017, the EAEC Board agreed on one of the first stages of the strategy for the development of cross-border space. According to the Minister for Internal Markets, Informatization, Information and Communication Technologies of the UNECE, Karine Minasyan, "this is an important starting point for the formation in the EEU countries of a new culture of data exchange in real time. The transition to online services in the relationship between the state and society, authorities and business of the EEU countries is an urgent necessity. Creation of cyber threats safe and effective tools for interstate electronic interaction is one of the key tasks of the EEC ". In the framework of such confidential relations, it is possible to form a unified system of exchange and formation of the main legal relationships. A digital signature between the EEU states is expected to be exchanged within 8 years. As of March 1, 2017, the Commission approved technological documents for 31 general processes out of 75 planned.

In Astana, the situation in the information sphere of Eurasia was discussed. On June 22-24, 2017, in the capital of Kazakhstan there was a traditional

large-scale Eurasian media forum, at which global problems were discussed from the new world order to the influence of the media on the image of the country. The day before, a narrower problem was also discussed in the expert circle in Astana – information and analytical support for Eurasian integration.

The Center for the Study of Integration Prospects (CSIP) and the Institute of Sociology of the National Academy of Sciences of Belarus conducted a study on how media in the countries of the Eurasian Union assess Eurasian integration and how they relate to partner countries. The authors of the study analyzed the information field of Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia in the first quarter of 2017. The media index consists of several elements, among which there are the tonality of publications, the degree of officialdom in media reports, coverage in government and business media. The higher the index is – the higher the interest and the more positive tone in the media. In Armenia, 1702 reports (60 media) were caught in the sample, in Belarus – 3992 (100 media), in Kazakhstan – 3254 (100 media), in Kyrgyzstan – 2519 (60 media), in Russia – 10312 (100 media).

The highest indexes were recorded in Kyrgyzstan (77%) and Kazakhstan (74%), the lowest ones in Russia (60%) and Belarus (50%). The results showed that the most widespread Eurasian integration is presented in the information field of Kyrgyzstan. In particular, the most active coverage of integration processes in state and business media was recorded in the republic. At the same time, one of the main problems in the study is the deficit of quality information reasons, interesting to business media and the business community as a whole. In the EEU countries, there is more short news reporting on the events in the EEU, rather than their expert evaluation or expert discussion. In the state media of all EEU countries, little attention is paid to integration issues. "The EEU countries are not seriously promoting the integration agenda, and in general pay little attention to the problems of the EEU," the authors of the report conclude, adding that state media can become the main tool of information campaigns within the framework of the Union [14].

The concept of Eurasianism is multifaceted. It includes a whole range of ideas, trends, directions. But what is important is that the basic concepts themselves: "Eurasia", "Eurasian region" are not just geographical terms formed by the mechanical combination of the words "Europe" and "Asia". According to the state and public figure, doctor of

philology, professor, Ambassador Extraordinary and Plenipotentiary of the Republic of Kazakhstan, writer and scholar M.Zholdasbekov: “Eurasianism” and “Eurasia” are primarily historical, civilizational and geopolitical concepts in which there’s specificity of the thousand-year historical path of Kazakhstan and neighboring countries in the region “[15].

The Minister for the main directions of integration and macroeconomics of the Eurasian Economic Commission – Tatiana Valovaya in the article of “The Eurasian Union will reconsider the economic picture of the world” noted that “the very launch of the Eurasian Union as a new international organization will radically change the geo-economic picture of the world. The Eurasian Economic Union will become a global player that will build relationships with our key partners, such as the EU and the Asia-Pacific region. To complete the common economic space, it is necessary to provide countries with the freedom to move capital, labor, goods and services “[16].

Mass media, mass communication have a great influence on the audience and public consciousness, it is about responsibility for perceptions and understanding by the population of topical issues concerning the cooperation of countries within the framework of the EEU. However, practice shows that most often in the field of view of independent media, there are, primarily, the main areas, problems and prospects for economic cooperation within the framework of the EEU.

At present, the media and the state have the task not only to convey the idea of Eurasianism to the public, it is important to cover the events, phenomena, tendencies of the Eurasian integration by means of mass communication, which will contribute to the wider dissemination of the idea of Eurasianism.

Results

Eurasianism is an integral part of global unification in the post-Soviet space, influenced by socio-economic, political, spiritual-cultural, regional and linguistic factors. Researchers, scientists determine the most important principles for the functioning of the future EEU: the principle of “global” – as one of the future centers of world politics and economy; the principle of “unity in diversity”, the principle of “multi-speed and multi-level integration”, active interaction with the neighbors of the Eurasian Union.

Eurasian integration is an inevitable process, to which Kazakhstan has a direct relationship, as

a center, connecting peoples, their history, culture, mentality, and many business processes.

The important and open question for today is the creation of a unified information and communication potential of the Eurasian countries. According to the monitoring of the statements of politicians and experts of Kazakhstan, it can be concluded that most of the materials in the media predominate with macroeconomic data.

The results of the study of public opinion show that the population is more interested in the issue related to what will the Eurasian integration give to small and medium-sized businesses, ordinary citizens. For them, the EEU is characterized as a competitive association. In most cases, this part of the population has its own business, which could function favorably in the new markets of Russia, Kazakhstan, Kyrgyzstan, Belarus, Armenia.

Conclusion

The Eurasian problem is political, economic, legal, cultural, and information subjects. They are all related to each other. The conclusion of the treaty on the creation of the Eurasian Economic Union on January 1, 2015, helped to strengthen the tendency of rapprochement within the framework of Eurasianism. And for today the member-states of the Union face many challenges, on which it is necessary to find a solution, and in the nearest future to build relations at a qualitatively new level.

Researchers, scientists determine the most important principles of the functioning of the EEU: the principle of “globality” – as one of the future centers of world politics and economy; the principle of “unity in diversity”, the principle of “multi-speed and multi-level integration”, active interaction with the neighbors of the Eurasian Union.

Mass media discusses and highlights the problem of information support of the Eurasian integration project and communication interaction in the post-Soviet space. This is evidenced by numerous international conferences, round tables, the creation of research centers, non-profit organizations such as the Eurasian Integration, the Eurasia Heritage Foundation, the Eurasian House, an information and analytical portal, the Eurasian Expert Club, the site works and many others.

It is very important that it was possible to intensify cooperation between states, between the media and media organizations, however, as the researchers and experts note, it’s not enough and it is necessary to develop a unified strategy for information interaction, to begin forming

a unified information and communication space. Initiative proposals of specialists on the communication support of Eurasian integration, on the creation of Eurasian projects, centers –

lead to active actions on the information space within and outside countries. The idea of Eurasian integration increasingly finds its supporters in the post-Soviet space.

References

1. Bakhytzhan Momyshev. When the worldly vanity leaves the face // Purging the pure lights.-Almaty:BIS,2004-P.7,10.
2. Gumilev L.N. Rhythms of Eurasia: Epochs and Civilizations.-M.,1993-P.55
3. Conrad N.I. West and East.-M.,1972-P.17.
4. From the speech of the Prime Minister of Singapore Goh Chok Tong in the Singapore Chamber of Commerce and Industry.- Singapore,11 May 1996.
5. McLuhan M., Powers B.R. The Global Village. Transformations in World life and Media in the 21st Century.-New York-Oxford: Oxford University Press,1989.-P.3
6. The Eurasian initiative of Nursultan Nazarbayev is the basis of modern economic integration// The Kazakh truth, 27 November 2012-P.4
- 7.The Eurasian Economic Union is an objective regional tendency // Business and power,21 September,2012.-P.3.
- 8.Schwerpunkt: Eurasische Union. Sonderausgabe // Prospect. – Heft № 03. – 2014 (7), Juli – Oktober. – S. 4-5
9. <http://gorchakovfund.ru>
10. The Eurasian Union will have to survive at the expense of its own resources.- 15.04.2017-<http://namba.kz/news>,<https://kapital.kz/economich.html>
11. Karavaev VP Integration and investments: problems of cooperation of the CMEA countries. – Moscow: Nauka, 1979.
- 12.Barlybaeva S.Kh. Communication model of Kazakhstan: the path of development // Medialmanah.- M.:MGU, 2012-№6.-P.49.
13. The influence of the media on the formation of value orientations of the individual. Course work//<http://bibliofond.ru/view.aspx?id=562759>
14. Dyrdin,G. Whose Media for Eurasian Integration? // Rezonans.kz, May 30, 2017.
15. Zholdasbekov. M. Eurasian University and the World of Eurasia // Speeches of Heads of State, Ministers, Heads of State Bodies, Public Figures of the Republic of Kazakhstan and Foreign Countries at the Eurasian National University. L.N. Gumilev.-Astana, 2006.-P.63.
16. Zakharova A. The Eurasian Union will reconsider the economic picture of the world. http://rus.ru/2013_03_05/Valovaja-Evraziskij-sojuz-perekroit-jekonomicheskuyu-kartinu-mira/

IRSTI 11.25.19

Sairambaeva Zh.¹, Otarbaeva A.¹, Wang Hong Wei²¹Al-Farabi Kazakh National University, Almaty, Kazakhstan
E-mail: zhuldyz_sairam@mail.ru²Harbin institute of technology, The humanities and social sciences and law school,
Harbin, China, e-mail: zhao-hongrul@163.com

STRATEGIC IMPORTANCE OF THE “NEW SILK ROAD” PROJECT FOR THE REPUBLIC OF KAZAKHSTAN

Abstract. The interest in the Great Silk Road renewed at the end of the XXth century to XXIth century. There are two reasons to that, firstly, there were projects of the UN and the USA with the aim of reconstruction of caravan paths, secondly, the mega project «The economic belt of the Silk Road» was offered by the President of the Republic of China. The project of the President of China Xi Jinping must be unrepeatable and unique, also, it must make an indelible mark in history and there had never been such a project, based on interconnection. The «Silk Road» is a «brand» of the 21st century, uniting nations, strengthening solidarity, strengthening the economy, providing trade in freedom, bringing together what seems unattainable. Many historically established states located on the continent of Eurasia are interested in this project. The strategic role of the «Silk Road» is very important for the Republic of Kazakhstan. The «Silk Road» project is being implemented and maintained in the Republic of Kazakhstan, and the strategic role of the project is very important for Kazakhstan. This project not only has every impact on the development of the economy, culture, transport and logistics, tourism, but also makes a personal contribution to the development of international relations of the project «One Belt, One Road» jointly with other participating countries.

The goal of research work is to show a tactic significance of «The Silk Road» for the Republic of Kazakhstan and introduce with events planned for the future.

During the work the method of John Stuart Mill was used with the aim of showing the future power and historical significance of ancient and new Silk Road.

By realization of project «The economic belt of the Silk Road » the flow of goods sending via Kazakhstan will be improved, also, the sphere of investments will be expanded to strengthen the relationships of states of Central Asia. Kazakhstan, located on the territory of the Silk Road, can become a transitory host with oil-gas pipes.

Key words: the Republic of Kazakhstan, the Silk Road Economic belt, trade, strategy.

Аңдатпа. Ұлы Жібек жолына қызығушылық XX ғасырдың аяғы мен XXI ғасырда жандана түсті. Оған дәлел ретінде, біріншіден, БҰҰ мен АҚШ тарапынан жасалған керуен жолдарын жандандыруға бағытталған жобалары болса, екіншіден, XXI ғасырда Қытай Халық Республикасы Президентінің «Жібек жолы экономикалық белдеуі» атты мега жобасы. Қытай Президенті Си Цзиньпин жобасының «Жібек жолы» деп аталуы кездейсоқ болмаса керек, себебі дәл осындай тарихта өзіндік қайталанбас із қалдыратын өткенді еске сақтай отырып, тарихи сабақтастыққа негізделген ауқымды жоба болған емес. «Жібек жолы» бұл алысты жақындататын, ұлттарды біріктіретін, ынтымақтастықты күшейтетін, экономиканы нығайтатын, сауданың еркіндігін қамтамасыз ететін XXI ғасырдың «бренді». Бұл бағдарламаға Евразия құрылығындағы ортақ тарихи тағдырға біріккен мемлекеттердің көпшілігі қызығушылық танытуда. Қазақстан Республикасы тарапынан қолдау тапқан және жүзеге асырылып жатқан «Жібек жолы экономикалық белдеуінің» республикамыз үшін стратегиялық маңызы зор. Бұл жоба ел экономикасына, мәдениетіне, транспорт пен логистика, туризм саласын дамытуға өзінің оң әсерін тигізіп қана қоймай, «Бір бағыт бір жол» жобасына қатысушы мемлекеттермен халықаралық байланысты дамытуға да өз үлесін тигізуде.

Зерттеу жұмысының мақсаты жаңа Жібек жолы жобасының Қазақстан Республикасы үшін стратегиялық маңызын анықтау, және жоба бойынша жатқан жұмыстарға тоқталып, болашаққа жоспарланған шаралармен таныстыру.

Жұмыс барысында Жібек жолы жобасының тарихтағы орны мен болашақтағы маңызын көрсету үшін Джон Стюарт Милдің канон әдісі қолданылды.

Жібек Жолы экономикалық белдеуі жобасын жүзеге асыру арқылы Қазақстан арқылы өтетін тауар айналысы артады, Орталық Азия мемлекеттерімен қарым-қатынасты қалыптастыруға оң септігін тигізп, инвестицияның ауқымы кеңейеді. Жібек жолының бойында орналасқан Қазақстан – мұнай-газ құбыры арқылы транзиттік дәліз иесі бола алады.

Түйін сөздер: Қазақстан Республикасы, Жібек жолы экономикалық белдеуі, сауда, стратегия.

Абстракт. Интерес к Великому Шелковому пути возобновился с конца XX века и продолжается в XXI веке. Тому есть две причины, во-первых, ООН и США с целью возобновления караванных путей выдвинули проекты, во-вторых, в XXI веке Президент КНР предложил мега проект «Экономический пояс Шелкового пути». Проект Президента Китая Си Цзиньпина «Шелковый путь» должен быть неповторимым и уникальным, так как он оставил неизгладимый след в истории, а также не существовало такого рода обширного проекта, основанного на взаимосвязи двух материков. «Шелковый путь» – это «бренд» XXI века, объединяющий нации, усиливающий солидарность, укрепляющий экономику, обеспечивающий торговлю свободой, и сближающий то, что кажется недостижимым. Многие исторически сложившиеся государства, расположенные на материке Евразия показывают интерес к данному проекту. Для Республики Казахстан очень важна стратегическая роль «Шелкового пути». Проект «Шелковый путь» реализуется и поддерживается в Республике Казахстан, а также для Казахстана очень важна стратегическая роль проекта. Данный проект не только оказывает всестороннее влияние на развитие отраслей экономики, культуры, транспорта и логистики, туризма, но также вносит личный вклад в развитие международных связей совместно с другими странами-участниками проекта «Один пояс, один путь».

Цель исследовательской работы – отметить тактическую значимость Нового проекта «Шелковый путь» для Республики Казахстан, а также ознакомить с мероприятиями, запланированными на будущее

В ходе работы применен канон Джон Стюарта Миллас целью показать будущее могущество и историческую значимость Шелкового пути.

За счет реализации проекта «Экономический пояс Шелкового пути» улучшится поток товаров, отправляемых через Казахстан, а также расширится сфера инвестиций с целью укрепления отношений государств Средней Азии. Казахстан, расположенный на территории Экономического пояса Шелкового пути, за счет нефтегазовых труб может стать транзитным хозяином.

Ключевые слова: Республика Казахстан, экономический пояс Шелкового пути, торговля, стратегия.

Introduction

In 22 March 2012 there was an initiative about The Silk road reincarnation. At the 25th meeting of foreign investors' soviet the President of Kazakhstan Republic N.A. Nazarbayev announced about realization of «New Silk road». He said «Kazakhstan reincarnating its historical role must turn into the largest active and transit mediator between Europe and Asia... The reason for this is that, firstly – an advantageous geographical position, secondly – permanent growth of cargo flows, thirdly – direct access to the markets of the Customs Union and the fourth favorable investment climate ... The competitive advantage of the project “New Silk Road” is based on the principle of 5S – speed, service, cost, security and stability”. Their synergistic effect should be the result of their territorial and functional interaction” (Обращение Президента Республики Казахстан, 2018). Later, this initiative was supported by President of China Xi Jinping and in September of 2013 he propositioned the world in re-creating the historic “Silk Road” during a speech in Kazakhstan at the Nazarbayev’s University. This effort is alternatively known as “One Belt, One Road” (OBOR) or “Belt and Road Initiative”. The aim is to develop closer

economic ties, deepen cooperation, and expand development in the Euro-Asia region. This speech and subsequent announcements officially set the stage for the establishment of a sprawling network of railroads, highways, gas and oil pipelines, ports, cities, and investments in modern infrastructure to recreate successful ancient Silk Road trade routes (Orlovsky, 2017).

Ancient and medieval “Silk Road” is a large-scale project that cannot be compared with the “New Silk Road Economic Belt” program. Nevertheless, it reminded the history of the first Silk Road. Emperor of the Han Dynasty (206 BC- AD 220) sent General Zhang Qian to form an alliance with the Yuezhi people who had been defeated by their enemies the Xiongnu and driven to the Ili valley, the western fringes of the Taklamakan Desert. Wudi’s desire for making peace with the Western regions, and the two missions of General Qian (the first between 138-125 AD; and the second 119-115 AD) are known to have led to the establishment of not only diplomatic contacts and economic relations, but also to cultural exchanges between East and West. After the reports given to Wudi by Gen. Qian, concerning the products and kingdoms in the West (such as the previously unknown kingdoms of Ferghana, Samarkand, and Bokhara), Wudi sought to develop further contact

(Silk Road Trade). Thus, embassy is the start of the official history of the Silk Road, recognized worldwide. Moreover, in the XXIst century Chinese leader's initiative has been a historic moment not only of cooperation between Kazakhstan and China, but also a new era of global cooperation. The "Silk Road Economic Belt" is broad in scope and is a mega-project that covers various sectors of society. (Laruelle, 2018). In the Ancient and Medieval times, the Silk Road is a driving force of the globalization process, contributing to the development of trade and economic, political, cultural and spiritual ties, and the New Silk Road in the 21st century, which aims to cope with the global crisis and the development of society. "The Silk Road Economic Belt" project proposed by the Chinese People's Republic is of great importance not only for Kazakhstan, but also for states located on the Eurasian continent.

Methods

During the research Mill's methods of agreement and of difference or Mill's canon for the method of difference and similarities were used. Mill's canon for the method of agreement is this: "If two or more instances of the phenomenon under investigation have only one circumstance in common, the circumstance in which alone all the instances agree is the cause (or effect) of the given phenomenon". Mill's canon for the method of difference is this: "If an instance in which the phenomenon under investigation occurs, and an instance in which it does not occur, have every circumstance in common save one, that one occurring in the former; the circumstance in which alone the two instances differ, is the effect, or the cause, or an indispensable part of the cause, of the phenomenon" (Mill's Methods, 2006). Using the canons of Mill during the study was the basis for establishing the historical preconditions for the New Silk Road. Relying on the similarity method, similar features of the Ancient and New Silk Roads were revealed. And the method of difference, respectively, helped to identify the differences between the ancient Silk Road and its new generation. This method helped to ascertain the fact that the Silk Road is developing along with time.

Main body

China is the main initiator and investor of the Silk Road Economic belt or OBOR. The OBOR initiative concerns 65 countries and 4.4 billion people. This is China's most important and strategic

initiative. This project has been well thought through by taking account of world's need, the reality in Asia, and China's own situation (One Belt and One Road). The main objective of the People's Republic of China's efforts to intensify the Silk Road activity is the intensification of large-scale inter-regional cooperation, close economic ties and broad-based relations with the "Eurasian states". Also to create a new economic and investment space, this would include China, the countries of Asia-Pacific Region, Eastern Europe as well as Russia and other CIS countries. The economies of countries of the area are expected to take about 29% of the global GDP in the next 10 years with the trade between China and countries along the "belt and road" to double (About Silk Road Economic Belt Initiative). It will increase the demand for passenger and freight transportation systems expansion.

In view of this, the PRC noted five main directions of the project implementation. First and foremost, it is a link between "developing political contacts" and then "transport infrastructure" between participating States. The three spheres of common development are: "trade and investment freedom", "finance", "humanitarian contacts". The New Silk Road, proposed by the PRC, is a mega project that provides a broad, geo-strategic range of political, trade, economic, infrastructural and transport links to the Eurasian continent. Thus, the main aim of the China's OBOR is to promote peaceful co-operation and worldwide co-operation and to promote equitable, non-prospering cooperation, regardless of the welfare and size of the participants. It is an open and free cooperation that brings peace and new positive energy into the development of the world. It is based on mutually beneficial, complementary cooperation, focusing on the spirit of the ancient Silk Road; This is a joint venture between different countries, creating new global economic governance, based on shared consultation, common building and sharing principles; a cooperation that promotes regional development, such as promoting prosperity and stability, expanding the dialogue of civilizations, and promoting mutual understanding and exchanging useful ideas, which will enable effective integration of core resource elements and deeper integration of the market.

It must be pointed out the role of Central Asian states in the Silk Road Economic Belt. These countries connect with the project by historical roots. Central Asia has an important role in the Silk Road, and nowadays this region is a niche of a new Eurasian continental bridge that unites many nations, eastern and western cultures. It is no

coincidence that this region is called the heart of Eurasia. It is also rich in hydrocarbons and the third largest oil and gas base in the world after the Middle East and Western Siberia. Its geopolitical, energy and economic significance attracts many countries around the world and has a strong competition for the right to access natural resources in the region, promoting the global strategic importance of the region.

China, in its immediate vicinity, has its own strategic interests in the region, which is reflected in strengthening security, political, economic, and energy. Also in Central Asia after declaring its independence, its three republics – Kazakhstan, Kyrgyzstan, and Tajikistan – have a total borderline of 3.300 km. has established close political, economic, and commercial ties as bordering and independent. Central Asian republics also have close ties with China. There are nine transboundary states in China: Uighur, Kazakh, Kyrgyz, Tajiks, Uzbeks and so on. They adhere to close family and religious-cultural ties with their historic homeland, which creates favorable conditions for strengthening relations between China and the countries of the region.

If to speak about the strategic importance of Central Asia in China, then it is the main form of the economic region. In Beijing, this is the most important factor in the development of economies. In the first place, China thinks that this is a new euro-continental fortification – a major frontier corridor and a nuclear canal for goods from the CIS and Europe. This is a great place to stay in the vicinity of the Silk Road and play a significant role in its revival. Moreover, Central Asia is like the Euro – Asian Railway Station in China, Europe. The KNR appreciates the potential for the appearance of the Great Silk Road and encourages it to gain greater insight. The economic and political development of the region is a necessity for oil and gas resources in everyday life, and in the “history of the past” is the idea of “diversification of import energy”. The Chinese guessed that Central Asia is a potential source of oil and gas, as the oil and gas pipelines in the region are shorter and safer, yet more alternative routes. In Central Asia, many countries have a great potential in the region, with a great deal of productivity in the region, and the goods from the Central Asian states are of great interest to the Chinese buyers. It is possible that the political differences will be expanded and the trade-economic cooperation. In addition, more important aspect. How to develop the country, China and Central Asia, many of the most common interests in

the region to protect regional security and the new economic and political order on the international arena (Мұқаметханұлы, 2018).

First, a key role for Central Asia within the SREB is as a transit route. For example, Kazakhstan and China are investing to increase the number of freight routes to Europe. In 2016, the number of services between Kazakhstan and China increased by 21 percent, with 84 percent of the total being freight services (Объем инвестиций в Казахстан, 2016). In February 2016, cargo trains began running from China to Iran via Kazakhstan and Turkmenistan (Farchy, 2016). Transit alone, however, is not necessarily going to develop economies. A second aspect of economic relations has been the export of raw materials from Central Asia to China, often with little transparency around the terms and conditions of deals. In time, therefore, there is a risk that Central Asian states could become over-dependent on exporting goods to China, and the opacity of contract details means that the tradeoffs for national economies are unclear (Lain, 2018).

The global economy today is in danger. Crisis of concentration and consolidation has led to the increase in the number of regions in the region, which has been the result of an overwhelming downturn in capital markets and indexes in the stock markets. The theme of the economic development is as follows: countries, such as South Africa, India, Turkey, Brazil, Russia and others have significantly decreased, as a result of which, despite the increased economic Japanese and American activity, the growth of world trade, and, consequently, of the economy, has slowed dramatically. The forecast for the development of the world economy for 2016-2017, made by experts of Morgan Stanley, indicates that in the near future this situation will only worsen. In their report, they predict a slowdown in the growth rate of world GDP in the next two years from 3.9% to 3.4%. However, while the economy of China, according to Morgan Stanley, should grow by almost 7% (Кошанов, 2016). The European economic slowdown, as well as the slowdown in the growth of the economy in developing countries, may aggravate each other in the near future, which will lead to even weaker economic growth and make it more difficult for the world market participants to restore business relations (11 Friends of the US, 2016). This explains the active participation of Central Asian countries in the implementation of the new Silk Road project.

Today, China can afford to fund the huge scale projects as OBOR. Three decades of structural change and rapid growth in comparison with

many countries of the world have made China the locomotive of the world economy and one of the two leading economies of the world. The country has also become the world's largest producer and exporter of most types of industrial products. One cannot but note the fact that China is one of the key trade and economic partners of both Kazakhstan and other members of the EEA.

Thus, China ranks third in the trade turnover of the Republic of Kazakhstan after the EU and Russia (\$ 10.6 billion and 14% of the total turnover) and second after the EU on consumption of Kazakhstan products (12%). China is also one of the largest investors in the economy of Kazakhstan (in 2005-2015, China's foreign direct investment amounted to 13 billion US dollars), and among the Chinese trade partners in the CIS, Kazakhstan ranks second after Russia.

According to statistical data, in 1992, the total trade turnover between the PRC and five Central Asian countries (Kazakhstan, Uzbekistan, Turkmenistan, Kyrgyzstan, Tajikistan) was about \$ 0.5 billion. In 2012, after 20 years, this indicator, according to the Ministry of Commerce of the PRC, rose to a record \$ 46 billion, an increase of 100 times. This incredible dynamics shows that in the long term China will take an even more important place in the economic development of the Central Asian states.

Undoubtedly, this project is able to open new horizons for trade, economic and investment cooperation in various fields. Moreover, for the practical implementation of its initiative, China is creating such global financial development institutions as the Asian Bank for Infrastructure Investments (\$ 100 billion) and the Silk Road Fund (\$ 40 billion), whose capitals will be used to implement international infrastructure projects. Such funds for their strategic projects cannot be singled out by any country, except China. Indeed, the EPPP impresses with its scale: until 2018, China plans to import goods from Asia and Europe by 8 trillion US dollars and invest up to 450 billion US dollars in these regions. Consequently, the undeniable advantage of EPS is its financial and economic security (Идирисов, 2016). Therefore, financial security of the Silk Road Economic Belt does not conflict. This explains the great interest of many countries in the Eurasian continent to a large-scale economic project.

Central Asia is opening up rapidly with the completion of new transport corridors. Providing a passageway for goods between east and west, however, cannot be its main goal. It needs to

attract investment to diversify its economies from petroleum and other natural resources. Other parts of Asia have developed by linking with global value chains. This may be an option for Central Asia, but it must overcome some serious barriers to make that a reality (Vandenberg, 2015). Located along the Silk Road, Kazakhstan is not only the owner of a transit corridor through the oil and gas pipeline but also being able to supply energy resources to Western China through natural gas. Also, Kazakhstan is a country that produces organic food products, capable of feeding about 1 billion people. This will be a great way for us. Particularly, if there is a large external market demand for agriculture, which is closely linked to the domestic market, we will be able to sell our organic products at an affordable price (Шымшықов, 2017). Moreover, China is Kazakhstan's largest trading partner. Kazakhstan is the most attractive Chinese investment in the CIS. From this point of view, the volume of investments in our country will be expanding and trade and economic relations between the two countries will grow.

Clearly, China is ready to make every effort to invest large amounts of investment, using its experience and develop trade. The PRC also states that it is ready to implement its initiative through international, regional and bilateral agreements. Since 2013 China has built transport corridors and expanded its international trade system, logistics development, cultural and economic initiatives have shown China as a leader in this project. It also reminds of China's special interest in the ancient Silk Road. At the same time, it should be noted that despite the change of political position of all Non-china States, historical continuity has been maintained. The Silk Road Economic Belt is also a link between China and the West, promoting open trade and accelerating the process of globalization, sharing cultural exchanges and closer ties between peoples in the ancient and medieval era, contributing to the development of the economy and civilization. We have a great opportunity to have an unforgettable trace.

In general, the project OBOR has a number of strategic advantages, including:

First of all, the advantage of the Chinese project from American and Russian projects is that it is transparent and profitable to any country in which it is involved;

Secondly, geographical efficiency is a very important transport and logistics infrastructure that connects Kazakhstan with its neighbors;

Thirdly, the priority of tradition, despite the fact that China's investment priority may

affect its economy, the Silk Road is supported by Kazakhstan in connection with historical continuity.

If all activities considered by OBOR implemented, the economic activity that will arise with the launch of all corridors and the implementation of investment plans will provide economic advantages to the participating countries and, above all, will put an end to America's supremacy in the world economy. The world must be ready to change the economic balance of forces. Trade flows, which are now moving from west to east, will change direction to the opposite, to «east-west». This situation can be perceived as an economic breakthrough in the East (Hongwei, 2018).

Taking into account mutually beneficial relations with China, the Government of Kazakhstan adopted a number of strategic documents. Among them Decree of the Government of the Republic of Kazakhstan No. 1004 from 11th of December, 2015 “On signing the Cross-Border Cooperation Program between the Government of the Republic of Kazakhstan and the Government of the People's Republic of China for 2015-2020” (Қазақстан Республикасы Үкіметінің 2015 жылғы Қаулысы). The program is aimed at establishing priority areas for interaction of the Parties on the development of cross-border cooperation with aim to further expand the scope and improve the level of cooperation, as well as determine the priority areas of cooperation between the administrative and territorial.

2. The program is aimed at developing cooperation between the Almaty and East Kazakhstan regions of the Republic of Kazakhstan with the Xinjiang Uygur Autonomous Region (hereinafter – XUAR) of the People's Republic of China.

3. The areas of the Program are:

1) Increase in the volume of bilateral trade turnover;

2) Increase the scale of mutual investment;

3) Development of a cross-border transport infrastructure;

4) The transformation of the International Center for Cross-Border Cooperation “Khorgos” into a model of economic cooperation in the border region;

5) Strengthening the infrastructure of border checkpoints;

6) Stimulation of social and economic growth of border regions;

7) Strengthening of interaction and friendly relations between the cities of border zones;

8) Implementation of projects in the areas of health, education, science, environmental protection, culture, etc.;

9) Promotion of small business development;

10) Implementation of effective cooperation in the field of prevention and liquidation of natural disasters, industrial accidents and emergency situations.

Another significant document is a Resolution of the Government of the Republic of Kazakhstan from 31st of August, 2016 “On signing the Cooperation Plan between the Government of the Republic of Kazakhstan and the Government of the People's Republic of China on combining the new economic policy and the construction of the Silk Road Economic Belt” (Қазақстан Республикасы Үкіметінің 2016 жылғы Қаулысы) and the main works on implementation of the Silk Road economic belt project between the two countries were demonstrated. According to the resolution, “the People's Republic of China and the People's Republic of Kazakhstan are friendly neighbors and joint efforts in the development of multilateral strategic partnership, strengthening the mutually beneficial cooperation in all areas”.

New economic policy “Nurly Zhol” and “The Silk Road Economic Belt” have created significant potential for bilateral cooperation in infrastructure, investments and trade, industry, transport, cultural and humanitarian exchange and other areas. The parties noted that “Nurly Zhol” and “The Silk Road Economic Belt” complement each other and have a lot of similar responsibilities and therefore, intends to strengthen cooperation in their combinations.

Full implementation of this project can follow in the Eurasian continent many major changes. Infrastructure change will reduce the timeframe between Europe and Asia, thereby reducing costs. On the basis of a mutually beneficial international labor divide, each country will benefit fully from its absolute, comparative and competitive advantages. That is, politics can be overthrown, and the interests can be justified economically. It's no secret that in the modern world there are political unrests due to unsatisfactory interests. If the project is successfully realized, the new Silk Road Economic Belt will create new jobs, work in various institutions and solve social problems.

The next important document providing the implementation of the “Silk Road Economic belt” is the Address of the President of the Republic of Kazakhstan from January 10, 2018 to the people of Kazakhstan “New opportunities of development in the context of the fourth industrial revolution”. President emphasis on the pace of development of neighboring countries is that the country needs to move to industrialization. The fourth part of

the Address is intended to improve the efficiency of transport and logistics infrastructure. Thus, Kazakhstan does not stop its development of transport and logistics industry. It is also expected to continue its national presence by increasing the level of automation and industrialization of the industry and ensuring free trade through improved road quality. Overall, all of the messages that have been received since 2014 are closely linked to the Silk Road Economic Belt. The goal of our country is to create a competitive economy and to attract investments, to create a business environment. It is clear that this is not possible without close economic development and international cooperation.

In the first ten days of June 2018, during a meeting with President Xi Jinping, President of Kazakhstan Nursultan Nazarbayev, the bilateral relations were developing at a high level and noted that after the meeting in 2012 there were 18 meetings of the highest level. 127 bilateral documents worth \$ 67 billion were signed between the two countries in 2012-2018. Bilateral trade turnover reached \$ 11 billion, up 30%. Xi Jinping: "Together with Kazakhstan we will continue to aspire to a bright future for mankind. I am ready to contribute to the prosperity of the Kazakh-Chinese friendship. "During the meeting, the Chinese side was interested in import of natural agricultural products from Kazakhstan and expressed interest in deepening bilateral cooperation in the oil and gas industry, modern technologies, digitalization and energy (Есенкелдіұлы, 2018). This is evidenced by the annual growth of trade and economic relations between the People's Republic of China and Kazakhstan. The development of trade relations will undoubtedly contribute to the strengthening of the country's economy and strengthening its international image.

Conclusion

Concluding, this project is aimed at strengthening economic cooperation in Eurasia: integration of Eurasia, including China, Central Asia, Eastern and Western Europe. This cooperation model will help keep close ties to countries, deepen economic cooperation and expand the space for development. The creation of the "New Silk Road Economic

Belt" promotes the solution of five main objectives: first, the formation of political relations with the Eurasian continent; Secondly, the creation of a common infrastructure (roads, railways, airports, pipelines, telecommunications, postal services, border control, customs, commodity quality control, etc.); Thirdly, the formation of free trade circles; Fourthly, influence on stabilization of national currencies through free currency circulation; Fifthly, to promote dialogue and dialogue among various civilizations and religions, as well as to promote education and cultural exchanges and tourism development.

From the history of the ancient Silk Road and the Middle Ages, we see that it has had a significant impact on the development of society. It shows that there was a white civilization before the formation of an information system, science and art, crafts, culture, trade, cooperation and diplomacy. Certainly, the negative aspects of the Silk Road cannot be ruled out, the spread of the disease, the spread of various religions and use of the caravan road for military purposes. However, - it was the main source of globalization. The breakthrough of the Great Silk Road was a historic event that affected the development of East and Central Asia. Thus, the Silk Road was of strategic importance for states and tribes along the Ancient Silk Road, and for empires.

The New Silk Way in the 21st Century is aimed at the continuity of the past, cooperation, openness and joint barriers we can see that this is a project. All the countries interested in the Silk Road Economic Belt want to find their place in this project and improve their economic situation and engage in international trade. Because the project is not just about road and logistics, it covers all areas of education, science, technology, informatics, culture and health. This means that in modern society, the main source of development is that states can develop international relations based on cooperation and openness, and in which areas of societal exchanges are possible. It is clear that Kazakhstan, which borders with China more than 1,700 kilometers, has an ancient Silk Road and modern OBOR. Therefore, the Silk Road Economic Belt, based on common traditions and historical continuity, has a strategic importance for the Republic of Kazakhstan.

References

1. Обращение Президента Республики Казахстан Н.А.Назарбаева к народу «Пять социальных инициатив Президента» // http://www.akorda.kz/ru/speeches/internal_political_affairs/in_speeches_and_addresses/obrashchenie-prezidenta-respubliki-kazakhstan-nanazarbaeva-k-narodu-pyat-socialnyh-iniciativ-prezidenta. 5 марта 2018

2. Orlovsky E. Kazakhstan and the New Silk Road // <https://www.pwc.kz/en/publications/new-2017/silk-way-publication-eng.pdf>.
3. Silk Road Trade & Travel Encyclopedia // <http://www.silkroadencyclopedia.com/Orient/HistoricalFigures.htm>.
4. Laruelle M. China's belt and road initiative and its impact in central Asia/ Washington, D.C.: The George Washington University, Central Asia Program, 2018 www.centralasiaprogram.org).
5. Mill's Methods of Induction Encyclopedia of Philosophy. Copyright 2006 Thomson Gale // <https://www.encyclopedia.com/humanities/encyclopedias-almanacs-transcripts-and-maps/mills-methods-induction>).
6. “One Belt and One Road”, Far-reaching Initiative. – Mar 26, 2015. // <https://www.chinausfocus.com/finance-economy/one-belt-and-one-road-far-reaching-initiative>
7. About Silk Road Economic Belt Initiative. Chemico Green Technologies. URL: http://www.chemicogroup.com/ru/index.php?option=com_content&view=article&id=694&Itemid=136.
8. Мұқаметханұлы Н. ҚР мен ҚХР арасындағы мәдени қарым -қатынастардың дамуы // «edu.e-history.kz» № 1(09). январь-март 2018 // <http://edu.e-history.kz/ru/publications/view/657>.
9. Объем инвестиций в Казахстан выросло в 7 раз. Forbes Kazakhstan, January 1, 2016, https://forbes.kz/news/2017/01/26/newsid_133690.
10. Farchy J., “New Silk Road will transport laptops and frozen chickens”. Financial Times, May 9, 2016. // <https://www.f.com/content/e9d35df0-0bd8-11e6-9456-444ab5211a2f>.
11. Lain S. China's Belt and Road initiative and its impact in Central Asia. Washington, D.C.: The George Washington University, Central Asia Program, 2018 // www.centralasiaprogram.org.
12. Кошанов А. «Единый пояс Шелкового пути» и перспективы формирования объединенного Евразийского экономического сообщества // Общество и экономика.–№ 4. 2016. – С. 6-7.
13. “11 Friends of the US” // Capital. .2016.
14. Идирисов А. Экономический пояс Шелкового пути и евразийская интеграция: конкуренция или новые возможности? 21.06.2016. // <https://ru.ictsd.org/bridges-news/>.
15. Vandenberg P., Kikkawa K. ADBI Global Value Chains along the New Silk Road // Police in brief. ADBI. 2015. – № 2. May. – P.1-6
16. Шымшықов Ш. Жоба жаһандық ықпалдастыққа жаңа серпін қоса ма? // Егемен Қазақстан. 12.05.2017. // <https://egemen.kz/article/zhoba-zhahandyq-yqpaldastyqqa-zhanha-serpin-qosa-ma>].
17. Wang Hongwei, Zhekenov D., Kurmangali M. Вестник КазНУ. Серия международных отношений. № 1. 2018. – С. 29.35.
18. Қазақстан Республикасы Үкіметінің 2015 жылғы 11 желтоқсандағы № 1004 «Қазақстан Республикасының Үкіметі мен Қытай Халық Республикасының Үкіметі арасындағы 2015 – 2020 жылдарға арналған шекара маңындағы ынтымақтастық бағдарламасына қол қою туралы» қаулысы // <http://adilet.zan.kz/kaz/docs/P1500001004>
19. Қазақстан Республикасы Үкіметінің 2016 жылғы 31 тамыздағы № 518 «Қазақстан Республикасының Үкіметі мен Қытай Халық Республикасының Үкіметі арасындағы “Нұрлы жол” жаңа экономикалық саясатын және “Жібек жолының экономикалық белдеуін” салуды ұштастыру жөніндегі ынтымақтастық жоспарына қол қою туралы» Қаулысы // <http://adilet.zan.kz/kaz/docs/P1600000518>
20. Есенкелдіұлы А. Елбасының Қытайға сапары – шолу. // Егемен Қазақстан. 11.06.2018. // <https://www.egemen.kz/article/170176-eki-el-baylansy-nyghayady>.

Lee Byong Jo

Ph.D., Inviting Professor of Al-Farabi Kazakh National University, Almaty, Kazakhsnan
E-mail: yakutsk@hanmail.net

THE STUDY OF MISSIONARY WORKS FOR KOREANS AND THE YAKUTS OF RUSSIAN ORTHODOX CHURCH IN THE MID 19TH CENTURY (1853-68)

Abstract. The purpose of this study is to understand missionary works for aborigines, including Koreans, in Siberia and Far east regions by the bishop Innokenti Veniaminov (И.Вениаминов, 1797-1879) in the mid 19th century, in the period of 'Yakutsk and Blagoveshchensk Orthodox Metropolis (1853-68)'. Eventually, the study is to identify characteristics of missionary works by bishop Veniaminov for immigrants in these regions. Through this study, following conclusions were drawn. First, in terms of the external aspect, missionary works by bishop Veniaminov are also not free from the other missions with national-political nature. However, even though the format of missionary works was national-political, in contents of his missions, an immense number of non national-political missions had been done. The first basis of this opinion was the purity and humanity of the bishop Veniaminov, which were shown in the process of missionary works and missions based on dedication and indigenization (translation of the Bible, the Gospels, a catechism and education of orthodoxy and propagation in immigrants' languages). Second basis was the resourcing system in missionary works. That is, besides financial aid from The Holy Governmental Synod (Central), in no small number of cases regional synod (regional) or church and diocese had replenished themselves (by selling candles), and in some cases even donations from parishioners had been invested.

Key words: Innokenti Veniaminov, Orthodox Church, Yakutsk, Mission for Koreans.

Аңдатпа. Зерттеудің мақсаты XIX ғасырдың ортасында, Якутск пен Благовещенсктің православиелік митрополиті (1853-68) кезінде, Иннокентий Вениаминовтың (И.Вениаминов, 1797-1879) аборигендерге, оның ішінде кәрістерге, Сібір мен Қыыр Шығыс аймақтарында миссионерлік жұмыстарын түсіндіру болып табылады. Зерттеу нәтижесінде осы аймақтардағы аборигендерге И.Вениаминовтың миссионерлік жұмыстарының сипаттамаларын анықтау керек. Осы зерттеу жұмысы барысында келесі қорытындылар жасалынды. Біріншіден, сыртқы аспектіні ескере отырып, епископ И.Вениаминнің ұлттық-саяси сипаттағы шығармалары басқа миссионерлік миссиялардан жеке дара емес. Миссионерлік жұмыс форматы ұлттық-саяси болғанымен, оның миссияларының мазмұнында көптеген ұлттық-саяси емес қадамдар да болды. Бұл көзқарас И.Вениаминовтың тазалығы мен адамгершілігімен дәлелденіп, миссионерлік жұмыстары мен миссиялары жанқиярлықпен жергіліктендіруге (Библияны аудару, Інжілдерді, катехизис пен православие саласында білім алу және аборигендердің тілінде насихаттауға) негізделген. Екіншіден, миссионерлік қызметтегі ресурстық (финанстық) жүйенің болуы. Яғни, Киелі Қасиетті Синодтың (Орталық) қаржылай көмегінен басқа, аймақтық синодтар (аймақтық) немесе шіркеу мен епархия (майшамдарды сатып) өздерін толтырырып отырды, ал кейбір жағдайларда тіпті шіркеу қызметкерлерінен қайырымдылықтары да салынды.

Түйін сөздер: Иннокентий Вениаминов, Православиелік шіркеу, Якутск, корейлерге арналған миссия.

Абстракт. Целью этого исследования является понимание миссионерских работ для аборигенов, в том числе корейцев, в Сибири и на Дальнем Востоке епископом Иннокентием Вениаминовым (И.Вениаминов, 1797-1879) в середине XIX века, в период Православного митрополита Якутска и Благовещенска (1853-68). В конце концов, исследование должно выявить характеристики миссионерских работ епископа И. Вениаминова для аборигенов в этих регионах. В результате этого исследования были сделаны следующие выводы. Во-первых, с точки зрения внешнего аспекта миссионерские работы епископа И.Вениаминова также не свободны от других миссий из-за своего национально-политического характера. Однако, несмотря на то, что формат миссионерских работ был национально-политическим, в содержании его миссий было сделано огромное количество не национально-политических миссий. Первой основой этого мнения была чистота и человечность епископа Вениаминова, которые были показаны в процессе миссионерских работ и миссий, основанных на самоотверженности и коренизации (перевод Библии, Евангелий, катехизис и образование в области православия и пропаган-

ды в языки абориген). Вторая основа – это система обеспечения ресурсов (финансирование) в миссионерских работах. То есть помимо финансовой помощи от Святейшего Правительствующего Синода (Центрального), в небольшом числе случаев региональный синод (региональный) или церковь и епархия пополнялись (продавая свечи), а в некоторых случаях вкладывались даже пожертвования от прихожан.

Ключевые слова: Иннокентий Вениаминов, Православная Церковь, Якутск, Миссия для корейцев.

Introduction

Today bishop Innokenti Veniaminov of Russian Orthodox Church is worshipped as the greatest clergy-missionary in the history of Russian Orthodox Church and as one of the most ideal and exemplary missionary of all religious sects in Christianity. It was unprecedented in the history of missionary works by Russian Orthodox Church that during his missionary works in 1820-30s in Alaska and in 1840-60s in Siberia-Far east regions, for 14 months (1842-43 / 1846-47) he went on extensive missionary trip in his diocese by boat, sleigh and on foot, he baptized and converted the Koryaks, the Chukchas in Kamchatka, where was the hostile region to Russian Empire in that period and the Yakuts society for 10 years, and he did missionary works for immigrants, including Koreans, in Far East region with Blagoveshchensk as the center. Bishop Innokenti Veniaminov left Siberia-Far east regions in late 1860s, where he devoted his entire life. Due to his unprecedented devotional missionary works and achievements as missionary-clergy for 47 years, in 1868 he went into orders as Archbishop of Moscow, and instantly begun to lead 'Moscow missionary association of Orthodox Church', and at the same time until his death in 1879 he kept his interest in missionary works in Siberia-Far East regions for immigrants.

Through precedent studies, I already examined the phenomenal aspect of missionary works by Russian Orthodox Church in Far East region for Koreans in the mid 19th and early 20th centuries (Before the Russian Revolution in 1917) [1]. And based on these precedent studies, I already identified the national-political characteristic of missionary works by Russian Orthodox Church in Far East region for Koreans in that period [2]. However, my precedent studies did not address the specific deeds (missionary devotion and contribution) of bishop Innokenti Veniaminov (И. Вениаминов, 1797-1879, hereafter 'Veniaminov'), which were the fundamental base and power for missionary works in those regions [3]. Hence, in this study I would like to follow deeds of bishop Veniaminov, who was the first bishop of the Kamchatka diocese and played decisive role in formation of missionary system for immigrants in

Siberia-Far East regions, And through this I intend to understand and identify the nature (characteristic) of missionary works by bishop Veniaminov for immigrants. The objective basis on which bishop Veniaminov's missionary works can be the subject of attention and studies is that he had worked at the center of missionary works in those regions in those periods and he was the one who took charge of missionary works. This kind of follow-up study can contribute to understand in larger scheme nature and characteristic of bishop Innokenti Veniaminov's missionary works for immigrants in Siberia-Far East region in those periods, when principle by Russian government to russificate and christianize every groups of immigrants was getting pursued and adhered to.

Methods

For this study, I used historical records in the local archives as major analysis materials that have never been opened to public in the process of other similar studies or corresponding subject [4]. These historical records have been obtained by myself, have source from National Archive of Saha Republic (Yakutia) (НАРС(Я)) where 'Yakutsk and Blagoveshchensk Orthodox Metropolis (1853-62)' was located, and consist of 11 cases and 100 pages. Furthermore, these records had been written in various forms (mission reports, letters) and most of which were in bad cursive script by bishop Veniaminov himself in 1850~60s, when on the basis of orthodox metropolis in Yakutsk he led missionary works for immigrants in Far East region. In addition, other historical records such as references from collected writings by bishop Veniaminov (missionary reports, letters, diary, travel journal) and corresponding ordinances, reports, newspapers and magazines that are housed in National Archive of Khabarovsk Krai were used as analysis materials.

Main body

1. Missionary works of bishop Innokenti Veniaminov

Innokenti Veniaminov was named as archbishop in 1850. This means that remarkable achievements of Veniaminov's missionary works for native in Alaska and Siberia-Far East regions were recognized and

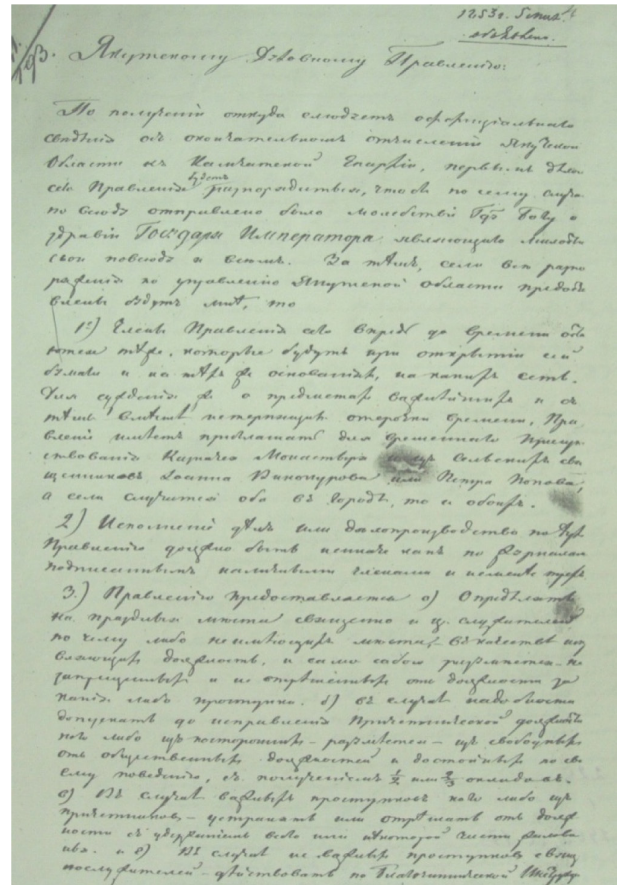
appreciated by leadership of Russian Orthodox Church and Russian government. After that, in 1853 diocese office of Kamchatka diocese moved from Sitka in Alaska to Yakutsk, which is located at the northeast part of Siberia-Far East regions.

This relocation had become the decisive opportunity for systematic and more active missionary works for nearby native tribes and for the Yakuts, which was the biggest tribe in northeastern part of Siberia-Far East regions.

In 1853, even after the relocation of Orthodox Metropolis to Yakutsk (Current capital city of Republic of Yakutia (Saha) in Russian Federation), and even after he was raised to higher position, archbishop Veniaminov never stopped to show his ardor for missionary works for natives. Rather he tried to retain more supports and put them into missionary sites more organizationally by associating with Russian government and leadership of Russian Orthodox Church. The characteristics and the nature of Veniaminov's missionary works for immigrants and resourcing system that functioned significantly in his works are well reflected in 10 years of staying in Yakutsk and his missionary works during that period. From the following deeds can identify more his specific devotional missionary works for the Yakuts.

After his assignment archbishop Veniaminov focused on missionary works for the Yakuts. Furthermore, on the other hand, he expanded missionary works by opening new mission sites among the Golds and the Gilyaks, who lived near Amur river and Zeya river (a branch of river Amur) basins. Due to avant-garde missionary works of archbishop Veniaminov, in 1856 Most Holy Synod (Святейший Правительствующий Синод) also officially approved public missions for immigrants (including natives) in Amur region [5]. The methods of archbishop Veniaminov's missionary works were the same as that he had taken for natives in Alaska in 1820-30s. The status of the Yakuts, which was the largest tribe in that region, was influential that they had played decisive roles in the process of advance to Siberia by Russian government. For example, in the early 18th century when the expedition of Bering was on the probe mission in Kamchatka, food, manpower and horses of the Yakuts were mobilized for them and they transported missionaries of Russian Orthodox Church to Kamchatka or government officers, exiles, building equipments for salt manufacturing factories to Okhotsk. In addition, from the middle of 18th century they had transported industrialists from Russian-American companies, merchants,

merchandises and cargos to Alaska [6]. Accordingly, archbishop Veniaminov drew a conclusion that only through systemized propagation of Orthodoxy by translating the Bible into Yakut language and through missionary works based on indigenization can lead the Yakuts that was the largest tribe and had great self-respect into Orthodoxy.



[Pic 1] Instruction from archbishop Veniaminov to synod under Yakutsk Orthodox Metropolis in 1851.5.29

However, things were in difficult situation. In the middle of 1840s during his 2 times of missionary trip Veniaminov and the Yakuts already made contact. But the level of orthodoxy knowledge among the Yakuts was still stayed in low since they had converted because of the gifts and yassa exemption and priests had rarely visited them. In addition, heathen beliefs and conventions still had been seen in many parts of their life [7]. This was resulted from the missionary policy that is altered in 1820s. That is, Russian government had put more interest in true christianization of natives to solidify empire's border areas, and as a result compulsory conversion and tolerant christianization policy in the late 18th century had been abolished. Instead, conversion had been done by persuasion and economic profit, and since 1826 exemptions from tax

and yassa for 3 years were officially given to new converts[8]. Therefore, archbishop Veniaminov tried to apply new missionary methods that can move the Yakuts' heart fundamentally. First, archbishop Veniaminov commenced to tighten disciplines among missionaries in each regions. He had ordered synod under Yakutsk Orthodox Metropolis (Якутское Духовное Управление) to dismiss missionaries or cut their wages, in case of that they committed a crime or were involved in serious crimes[9]. On the other hand, he had encouraged those priests who had continuously served as a model by giving them a letter of appreciation[10], and therefore he freshened up the atmosphere in the missionary sites and secured support and trust from missionary workers who were needed in the early stage of missionary works in Yakutsk.

In addition, archbishop Veniaminov devoted himself to set system and principles when building new churches and chapels. He tried to save finances from thoughtless budget execution without principles and to prevent confusion in missionary works. He stipulated every detail of chapels most carefully, such as from their location, appearance, size, internal area, distance between them, quality and type of interior and exterior materials to necessary type and purchasing method of sacred things and even methods of donation by parishioners. And he also ordered not to establish or rebuild chapels without permission from regional synod, and in case of his (archbishop's) absence he entrusted Yakutsk regional synod with his powers. Above this he also prescribed various procedures that were resulted in before or after establishment of chapels to set system right in missionary sites[11]. One of the efforts that archbishop Veniaminov put most of his interest in was educating adolescents and adults like in Alaska, those who had not had any opportunity to be properly educated on orthodoxy and doctrines or those who had not understood exactly. Archbishop Veniaminov ordered synod under Yakutsk Orthodox Metropolis to make priests educate those adolescents and adults from the most basic orthodoxy, by selecting a time without mass once a week. Thus, he tried to strengthen education on orthodoxy, doctrines, duty and performances of rules as orthodox Orthodox Christians for the Yakuts[12]. However, it was the biggest problem that to secure finances for supervising and directing management of each dioceses and churches. Therefore, to supplement insufficient finances for management, he allowed priests of each diocese to sell candles under their responsibility and judgment. At the same time, he also ordered heads of dioceses

in area to assume the responsibility of whole sales for transparent management[13]. It was astonished that in case of Alaska, in wages for priests was included aid for accommodations, heating and electricity from Russian-American companies.

As the head of Yakutsk Orthodox Metropolis and missionary works, while he stayed in Yakutsk for 10 years, Veniaminov put his emphasis mostly on baptism and conversion policy based on indigenization. The key of this was to compile bible and Gospels which had been translated into Yakut and distribute them to the Yakuts, and thus to produce true meaning of Christians. The policy based on indigenization was the tradition that had been followed during the Byzantine Empire and was the broad principle and spirit of archbishop Veniaminov which he applied for his missionary works in Alaska in 1820s. Archbishop Veniaminov requested Most holy synod to consider financial aid to translate, print and publish bible, Gospels and catechism in Yakut[14], and repeatedly asked them to get the work done faster[15]. He had more experiences than any others in that area. Therefore, not just waiting and watching a problem to be solved from distance but working on it as a practitioner, he argued with regional synod about translation of holy publications into Yakut by stationery office under synod, and even got involved in discussion about using special letters that had been used to translate bible into Aleut when translating alphabets in Yakut which did not have equivalents in Russian[16]. For translation, special committee had been established by Eusebius Protopopov (Е. Протопопов) hieromonk as a person in charge and other 15 priests[17], and based on that committee they promoted translation works and other tasks.



[Pic 2] Saint Trinity church in Yakutsk, built in early 18C (1708~1728) (source: www.ya-online.ru)

Archbishop Veniaminov kept discussing with Holy synod and synod under Yakutsk Orthodox Metropoli about translating Holy bible into Yakut and publishing it. As mentioned earlier, translating and publishing holy publications in Yakut were essential in missionary works for immigrants (natives). One of the distinguishing differences between Catholic missionaries and Veniaminov is that he considered it as important to properly inculcate the Yakuts with orthodoxy, and he realized it by translating Bible into Yakut for 10 years. He constantly requested aid to translate and press the Bible from Most Holy Synod, and continuously checked process and requested again so that the task could not be delayed. That is, he promoted his business by discussing with orthodox leadership and by getting involved in every issues himself, for instance problems derived from lack of adequate alphabets and expressions when translating into Yakut, problems with proofreading and publication, and suggestion of alternatives for those problems [18]. Of course, he did not request entire expenses to publish unilaterally. In some cases, he spared no efforts to lessen burden of central finance by raising funds autonomously. A large number of donations had been collected in the process of publishing Holy bible in 1855, and he ordered synod under Yakutsk Orthodox Metropolis to manage list of donors and execute those donations transparently [19]. Archbishop put highest priority on transparency and honesty when managing finances. Therefore, he directly got involved in processes of budget appropriation and expenses, and clearly informed orthodox leadership about accounting [20]. Furthermore, he requested orthodox leadership to award a medal, such as 2nd class Saint Anne's medal (to 1 priest) and 3rd class Saint Anne's medal (to 3 priests), on 10 missionaries (priests) from each dioceses to reward their service in which they had dedicated themselves to translate bible [21]. It is thought through these deeds that as the head of missionary works in Kamchatka diocese, Veniaminov had humane solicitude for missionaries in the front.

The first fruitful result in missionary works for the Yakuts that archbishop Veniaminov had got finally shined in Saint Trinity Church in Yakutsk in July 19th 1859. In Saint Trinity church the first mass in Yakut had been made, and this was big success in missionary works and acted as a driving force for after missions that 300,000 of almost every Yakut was baptized [22]. As the missionary works were getting successful, a number of church, priests and parishioners were also increased. And a great diversity of church and chapel were established

in Kamchatka and Okhotsk regions, which were mainly originated from government funds, support from Russian-American companies and efforts of local parishioners. On the other hand, as the dioceses were getting expanded, Orthodoxy leadership also put their interest on discipline among the clergy and on management of normal Russians. This is because they came to conclusion that vulgar behaviors of some Russians had damaged natives' custom and sometimes those behaviors had disturbed baptism of natives.

2. Missionary works for Koreans by Innokenti Veniaminov

At the end of 1850s political conditions near Amur and Ussuriy rivers in Far East had been changed drastically. After Treaty of Nerchinsk (1689) that had been resulted from conflict around fort of Albazin 170 years ago, basins of those rivers were under control of Qing dynasty, but their supremacy started to change. Russian government that had recognized importance of securing Amur basin to advance toward Pacific Ocean retained that supremacy from Qing dynasty, which was just then suffocated by plunder and pressure of western powers including the British Empire. General Muravyov (Н.Н. Муравьев-Амурский, 1847-61), who had been authorized to have carte blanche on border problems in those regions had concluded the Treaty of Aigun in May 1858 and secured left basin of Amur river (Primorski krai were still under the joint control by Russia empire and Qing dynasty). Securing of Amur basin by Russia meant obtaining of new missionary sites for Russian Orthodox church. Then, archbishop Veniaminov blessed Muravyov in prayer to celebrate amalgamation of Amur, saying that "Orthodox church will never forget you, who are a builder of church. You had been chosen by God, and gave us the opportunity and hope to build thousands of churches over the endlessly vast Amur basin." [23] After that, Russian government secured supremacy around basins of Amur and Ussuriy rivers by obtaining left parts of Ussuri river after conclusion of Beijing Treaty in November 2nd 1860 [24].

For the moment, Orthodox metropolis of Kamchatka diocese which had been located in Yakutsk for 10 years moved to Blagoveshensk in Amur krai. Relocation of orthodox metropolis to Blagoveshensk meant encounter between archbishop Veniaminov and Koreans in Amur and Ussuriy basins. Regional government and leadership of Orthodox Church in Far East region focused

on Koreans who were immigrating to Far East region at that time. Regional Government allowed immigration of Koreans into their territories, having it in mind to develop colonies in empty Far East region, and on the other hand they also focused on Christianization and Russification of Koreans through Orthodox Church. According to records, Archbishop Veniaminov already had started to move his duties as archbishop from Yakutsk to Amur krai (capital city-Blagoveschensk) by around 1860. That is because in 1860 Most Holy Synod appointed bishop Pavel (Павел) to missionary works for immigrants based on Yakutsk, and they made instructions about rights and duties as bishop, especially about obedience and cooperation for archbishop (Veniaminov). Furthermore, the other reason was also somewhat seen in the fact that when archbishop Veniaminov sent additional report about appointment of bishop Pavel to Most Holy Synod, [25] the place of dispatch was not in Yakutsk but in Irkutsk.

Anyway, it is obvious fact that from 1860s missionary sites of bishop Veniaminov had been expended to basins of Amur and Ussuriy rivers. That is because from 1862 Orthodox metropolis had been located in Blagoveschensk. After public missionary works for immigrants who had been lived near basins of Amur and Ussuriy rivers were approved by Most Holy Synod in 1856, archbishop Veniaminov also started to put his interest on Koreans who had immigrated to Primorski krai and had settled near Gulf of Novgorod from early 1860s. The first missionary was monk Valerian (1865-70), and he established the first chapel in Posyet district for those Koreans who had converted newly. Besides him, many other missionaries followed his deed, such as monk Zahari Tiapkin, monk Tihon (1871), dean John Vereshagin (1871-73) and priest John Gomzyakov who had been in charge of missions in Blagoslovennoe village in Amur krai. In addition, enthusiastic missionaries, for instance Vasilii Pyankov (1871-76) and Joseph Nicholas (1872-80) led missionary works for Koreans in Southern Ussuriysk (current Primorski krai), and other missionaries worked after them, such as priest Philip Tiptsev (1882-85) who was born in Ukraine and was the first native priest in Kamchatka diocese, missionary Ilya Plyaskin and Alexander Novokshchenov [26]. Archbishop Veniaminov played an important role in center for dispatched missionaries in regional mission sites. He tried to build strong foundations of missionary works for Koreans by making direct contacts with heads of administration himself, for example, he made great contribution

to establishment of churches near River Ussuriy and Lake Hankaby having correspondence with Furugelym (1865-71), who was the governor of Primorski Krai at that time. Furthermore, in spite of his old age for more than 60, Archbishop Veniaminov had built foundation of missionary works for immigrants including Koreans, by visiting Olga and Posyet areas in Primorski Krai and Vladivostok [27]. Since then, under his influence for about 10,000 Koreans had been baptized, and they became the foundation for Orthodoxy Korean society in Far East.

In the record of Grave (B.B. Граве), who was the plenipotentiary in charge of Far East issues in Ministry of Foreign Affairs of Russian Empire, was also recorded encounter between archbishop and Koreans. In his report were recorded archbishop's deeds that "In 1863 first 13 Korean families had immigrated to Gulf of Novgorod and occupied national territories in Posyet area. Beginning of missionary works for Koreans through education goes back to 1860s, when bishop Innocenti of Irkutsk [29] (Archbishop of Moscow in the future) has started to put his interest on southern Ussuriysk region. Because of his efforts, Koreans near port of Novgorod accepted Russian Orthodox. After that, missionary areas were organized, and currently 9 areas are in active, and thanks to them lots of schools were established... (omit) According to data from Orthodox missionary committee of Vladivostok diocese, the number of Korean Orthodox Christians in Far East region is 10,237 (men-5,955, women-4,282) and this consisted 28.5% of total Koreans." [30]. Missionary works by Russian Orthodox Church in Far East region for Koreans in the mid 19th and early 20th centuries (Before the Russian Revolution in 1917) are another great subject for studies, and have a large number of episodes with interesting and historical moments. Since specific researches about those works were already have been done in my precedent study [31], further mention about them is omitted in this study.

Conclusion

It is not easy to define characteristic of missionary works by Innokenti Veniaminov in one word. In other words, that is because in Russian territories governance systems such as Caesaropapism had influence for a long time, and from the era of Peter the Great in the early 18th century national-political missionary works for immigrants had been done plainly since the Church was subordinated to state. Missionary

works for immigrants by Veniaminov are also not that free from this fundamental framework. However, it is obvious about his missions that although form of them was national-political, with regard to their contents, it can be acknowledged that his missionary works were exceedingly non-national-political. In other words, Veniaminov's case is that while obeying to guidelines from Russian government, in methodological terms of missionary works, he faithfully followed missionary traditions of Orthodox Church. Of course, it can be refuted that even content of his works was eventually in bounds of national-political missionary works, but it is rare in the thousand years of history of missionary works for immigrants by Russian Orthodox Church that missionary showed such devotion. It was a heavy task with difficulty and patience that no one could

easily imitate that he had done missionary works based on indigenization that he did wherever he had visited, such as translation of the Bible, the Gospels, a catechism and education of orthodoxy and propagation in immigrants' languages. He studied and learned thoroughly about immigrants' language, beliefs, customs and practices by experience, and tried to put Christianity into those immigrants by living among them. That is, not just to absorb immigrants' society into empire's territory or into orthodox-citizen or Civilized world but to understand them first and practice humanity on their stand. Considering all this situations, at least in terms of contexts of his missionary works, they were non-national-political actions with purity (evangelization, Christianization, indigenization).

References

1. Lee, Byong Jo. (2002). The Mission of Russian Orthodox Church for Koreans in the Russian Far East (1863-1916), master degree, Department of history in general graduate school of Hankuk university of Foreign studies.
2. Lee, Byong Jo. (2008), The Korean Society and the Mission of Russian Orthodox Church in the Priamurian Region in Russia between 1865 and 1916, doctoral degree, Department of history in general graduate school of Hankuk university of Foreign studies.
3. However, studies about Innokenti Veniaminov in Russia has been done considerably around Soviet Revolution and Breakdown of the Soviet Union. One of the typical researchers about Innokenti Veniaminov is Barsukov (И. Барсуков), and his representative studies are "Innokenti, Metropolitan of Moscow and Kolomna, according to his writings, letters and stories of his contemporaries (M., 1883)" and "Saint Innocent (Veniaminov) enlightener of America and Siberia – Collection of works and letters in 7 volumes", which consist of 7 volumes.
4. Materials about archbishop Veniaminov in National Archive of Sakha Republic (Yakutia) (Fond-225, 227, 230).
5. (1874). Миссионерская деятельность между корейцами в Камчатской епархии в 1872г. *Миссионер*, No.6, 63-67. [(1874). Missionary activity among Koreans in the Kamchatka diocese in 1872. *Missionary*, No.6, 63-67]; Ивановский, П. (1999), "Краткий очерк развития миссионерского дела среди корейцев Южно-уссурийского края" Поздняев, Д. (Сост.), *История российской духовной миссии в Корею* (сборник статей), Москва, 125. [Ivanovsky, P. (1999). "Brief outline of the development of missionary work among Koreans living in the South Ussuriisk region", Pozdnyayev, D. (ed.), *The history of the Russian spiritual mission in Korea*. (collection of articles), Moscow, 125].
6. Tyrylgina, M.A. (2000). *Roots of Phenomenal Stamina of the Sakha People*. Yakutsk, 260-268.
7. Bishop Sergius of Novosibirsk and Berdsk (ed.). (1999). *Lives of Siberian saints*. Novosibirsk, 267.
8. Znamenski, A.A. (1999). *Shamanism and Christianity: Native Encounters With Russian Orthodox Missions in Siberia and Alaska 1820-1917*. Westport, Connecticut □ London: GREENWOOD PRESS, 4.
9. НАРС(Я), Ф.225, Оп.1, Д.1409, Л.16-16в. [NARS(Y) F.225, Op.1, D.1409, L.16-16v]-Instruction from archbishop Veniaminov to synod under Yakutsk Orthodox Metropolis in 29.05.1851.
10. НАРС(Я), Ф.225, Оп.1, Д.1470, Л.1-7 [NARS(Y), F.225, Op.1, D.1470, L.1-7]-Requests about complimenting priests in serve from archbishop Veniaminov to synod under Yakutsk Orthodox Metropolis in 28.01.1854 / 28.09.1854 / ???.1854 / 15.10.1854 / ??.1854 / 05.04.1855 / ??.1855.
11. НАРС(Я), Ф.225, Оп.1, Д.1585, Л.1-4 [NARS(Y), F.225, Op.1, D.1585, L.1-4]-Instruction from archbishop Veniaminov to synod under Yakutsk Orthodox Metropolis in 06.05.1855.
12. НАРС(Я), Ф.225, Оп.1, Д.1579, Л.1-2 [NARS(Y), F.225, Op.1, D.1579, L.1-2]-Instruction from archbishop Veniaminov to synod under Yakutsk Orthodox Metropolis in 18.04.1855.
13. НАРС(Я), Ф.225, Оп.1, Д.1585, Л.4в [NARS(Y), F.225, Op.1, D.1585, L.4v]-Instruction from archbishop Veniaminov to synod under Yakutsk Orthodox Metropolis in 06.05.1855.
14. НАРС(Я), Ф.225, Оп.1, Д.1447, Л.3-3в [NARS(Y), F.225, Op.1, D.1447, L.3-3v]-Report from archbishop Veniaminov to Most Holy Synod in 04.10.1853.
15. НАРС(Я), Ф.225, Оп.1, Д.1447, Л.10-10в [NARS(Y), F.225, Op.1, D.1447, L.10-10v]-Report from archbishop Veniaminov to Most Holy Synod in 16.01.1855.
16. НАРС(Я), Ф.225, Оп.1, Д.1447, Л.11-12 [NARS(Y), F.225, Op.1, D.1447, L.11-12]-Report from archbishop Veniaminov to Most Holy Synod in 10.03.1854.

17. HAPC(Я), Ф.225, Оп.1, Д.1447, Л.6-6в [NARS(Y), F.225, Op.1, D.1447, L.6-6v]-Instruction and directive from archbishop Veniaminov to synod under Yakutsk Orthodox Metropolis in 12.04.1855. Committee for translation consists of 1 hieromonk, 14 priests and 1 assistant priest, and those priests had been summoned from each diocese.

18. HAPC(Я), Ф.225, Оп.1, Д.1447, Л.18-20 [NARS(Y), F.225, Op.1, D.1447, L.3-3v]-Report from archbishop Veniaminov to Most Holy Synod in 09.01.1857.

19. HAPC(Я), Ф.225, Оп.1, Д.1447, Л.21 [NARS(Y), F.225, Op.1, D.1447, L.21]-Report from archbishop Veniaminov to Most Holy Synod in 09.01.1857; Там же, Д.1667, Л.2-4 [NARS(Y), F.225, Op.1, D.1667, L.2-4]-Donation statement from archbishop Veniaminov to synod under Yakutsk Orthodox Metropolis in 01.06.1855.

20. HAPC(Я), Ф.225, Оп.1, Д.1447, Л.56-56в [NARS(Y), F.225, Op.1, D.1447, L.56-56v]-Account book written by Archbishop Veniaminov about Bible publication.

21. HAPC(Я), Ф.225, Оп.1, Д.1447, Л.38-38в [NARS(Y), F.225, Op.1, D.1447, L.38-38v]-Report from archbishop Veniaminov to Most Holy Synod in 15.03.1857.

22. Pospelovsky, D.V. (1998). *The Orthodox Church in the History of Russia*. New York: St.Vladimir's Seminary Press, 171; Smirnov, P. (1994). *The history of the Christian Orthodox Church*. Moscow: Orthodoxy in Conversation, 162.

23. Veniaminov, I., "The speech in Blagoveshchensk to N. N. Muravyov-Amursky after the service on the accession of the Amur region," Pivovarov, B. (Comp.). (1997). *Selected works of St. Innokenti, the Metropolitan of Moscow, Apostle of Siberia and America*. Moscow, 314.

24. Earlier in 1853, Port Nikolaevsk near lower River Amur was built, and Port Khabarovka (Khabarovsk in nowadays) in 1858 and Port Vladivostok in 1860 were built. This meant that Russia had secured foundation for secular and religious domination around Far East, including basins of Amur and Ussuriy rivers. Territories that were newly amalgamated were incorporated into Kamchatka diocese which was established in 1840, and Koreans who had started to immigrate from the early 1860s were under the political and religious influence of Russian government and leadership of Orthodox Church, not of Qing dynasty.

25. HAPC(Я), Ф.227, Оп.3, Д.7, Л.10-11в [NARS(Y), F.227, Op.3, D.7, L.10-11v]-Letter about rights and duties of bishop from Most Holy Synod to bishop of Yakutsk and auxiliary bishop of Kamchatka diocese; Там же, Л.10-11в [NARS(Y), F.227, Op.3, D.7, L.11v]-Report from archbishop Veniaminov to Most Holy Synod in 11.03.1860.

26. РГИАДВ, ф.702, Оп.5, Д.143, Л.64 [RGIADV, F.702, Op.5, D.143, L.64]-Materials about education development, establishment of churches, missionary areas and activities of missionaries for Koreans in Posyet district; (1874). Миссионерская деятельность между корейцами, переселившимися на Амур. *Миссионер*, No.26, 239-242. [(1874). Missionary activity among Koreans moved to Amur. *Missionary*, No.26, 239-242].

27. Veniaminov, I. "Letter to Tolstoy Dmitry Andreyevich, November 3, 1866" Pivovarov, B. (Comp.). (1997). *Selected works of St. Innokenti, The Metropolitan of Moscow, Apostle of Siberia and America*. Moscow, 346-347.

28. Pospelovsky, D. V. (1998). *The Orthodox Church in the History of Russia*. New York: St.Vladimir's Seminary Press, 171.

29. General title in Orthodox Church for Archbishop Veniaminov is 'Innokenti Veniaminov'. It is understood by the facts that it indicated bishop Veniaminov, although in Irkutsk diocese bishop 'Innocenti Kulchitski (Инокентий Кульчицкий) had worked, but he had worked 1 biological century earlier than archbishop Veniaminov, and that even in Grave's report, Veniaminov was additionally explained in brackets that he had become Archbishop of Moscow in the future.

30. Граве, В. В. (1912). "Китайцы, корейцы и японцы в Приамурье," (Отчёт Уполномоченного Министерства Иностранных Дел В. В. Граве), *Труды командированной по Высочайшему повелению Амурской экспедиции*, Вып.11, СПб. 128, 189-191. [Grave, V.V. (1912). "Chinese, Koreans and Japanese in the Amur region" (report of the Authorized Ministry of Foreign Affairs Grave V.V.), *The Report of the Amur expedition*, Vol.11, St. Petersburg, 128, 189-191].

31. Further specific study about missionary work for Koreans in Far East region from the mid 19th century to 20th century can be referred to thesis of Lee Byong Jo – "Korean society in Russian priamur and missionary works of Orthodox church (1865-1916)" (Thesis for doctoral degree in department of history in general graduate school of Hankuk university of Foreign studies, 2008).

III • ECONOMY

IRSTI 06.73.07

¹Ilyasova G., ¹Bekmukhametova A., ²Dr. Farooq Ahmed Jam

¹Al-Farabi Kazakh National University, , Almaty, Kazakhstan, e-mail: sultasem@mail.ru

²Islamic University, Islamabad, Pakistan

CRYPTO CURRENCY – A NEW PHENOMENON IN MONETARY CIRCULATION

Abstract. The world of crypto currency is developing very quickly. For example, bitcoin over the past five years outperformed by its return investments such as gold, stocks and real estate. Also recently, hundreds of new crypto-currencies appeared on the market, which in their essence copy each other, differing by very insignificant characteristics. However, only a small part of them truly represents value and in the long run it can blow up the market, as bitcoin did in 2016-2017.

Interest in the blockchain and crypto currency in Kazakhstan goes both “from above” and “from below”: while the government is taking a course to introduce a new promising technology, ordinary citizens view the ether and bitcoin as a good way of investing. The business community also shows a high interest in the topic, because the development of blockchain-technologies and the increasing role of the crypto currency are a good space for the formation of start-ups. The government of Kazakhstan for the first time clearly indicated its interest in the topic of blockchain in the summer of 2016: a workshop was held at the IX Astana Economic Forum on the prospects of blockchain in the state administration. During 2016-2017 years, In Kazakhstan, several major state-level block projects were announced. Today, the country is confidently moving towards the blockchain, and this movement aims to make Kazakhstan a technologically advanced country and increase its investment attractiveness. Bitcoin, according to the forecast, will continue to grow in price – up to \$ 5000 per unit. Therefore, in Kazakhstan, mining of bitcoins (mining) is becoming a popular business. This article reveals the essence, functions and prospects of the crypto currency as a new trend in the currency system of many countries.

Key words: crypto currency, bitcoin, money, transactions, securities, blockchain.

Аңдатпа. Криптовалюта әлемі жоғары қарқынмен дамып келе жатыр. Мысалы, өткен бес жылдық ішінде биткоин өз табыстылығы жөнінен алтын, акциялар және жылжымайтын мүлікке инвестицияларды асып түсті. Сондай-ақ, соңғы кездері нарықта бір-бірін көшіріп, тек елеусіз сипаттамаларымен ерекшеленетін жүздеген жаңа криптовалюталар пайда болды. Алайда, олардың тек кішігірім бөлігі ғана құнды саналуда және болашақта биткоинның 2016-2017 жылдары істегені тәріздес нарықты дүр сілкіндіруі мүмкін.

Қазақстанда блокчейн мен криптовалютаға қызығушылық “үстінен” де, “астынан” да пайда болуда, үкімет жаңа перспективті технологияларды ендіруге бағыт алып жатқанда, қарапайым азаматтар эфир мен биткоинды қаражат салудың тиімді көзі ретінде қарастырып отыр. Бизнес-қауымдастық та аталған тақырыпқа жоғары қызығушылық танытуда, себебі блокчейн-технологиялардың дамуы мен криптовалюта рөлінің ұлғаюы – стартап құруға жақсы кеңістік. Қазақстан Үкіметі блокчейн тақырыбына қызығушылықты алғаш рет 2016 жылдың жазында танытты: IX Астана экономикалық форумында мемлекеттік басқарудағы блокчейн болашағына арналған воркшоп өткізілді. 2016-2017 жж. Қазақстанда мемлекеттік деңгейдегі бірнеше блокчейн-жобаларының таныстырылуы өтті. Бүгінде еліміз блокчейнды тиісінше қабылдап отыр, мұның мақсаты – Қазақстанды техникалық дамыған елдер қатарына қосу және оның инвестициялық тартымдылығын арттыру. Болжамдар бойынша, биткоинның бағасы ары қарай да артатын болады – тіпті бір бірлікке \$5000 дейін. Сондықтан да биткоин өндірісі (майнинг) Қазақстанда танымал бизнеске айналып жатыр. Берілген мақалада криптовалютаның көптеген елдердің валюталық жүйесіндегі жаңа тармақ ретіндегі мәні, функциялары және болашағы зерттеледі.

Түйін сөздер: криптовалюта, биткоин, ақша, транзакциялар, бағалы қағаздар, блокчейн.

Абстракт. Мир криптовалюты развивается очень быстрыми темпами. Например, биткоин за последние пять лет опередил по своей доходности такие инвестиции, как золото, акции и недвижимость. Также в последнее время на рынке появилось сотни новых криптовалют, которые по своей сути копируют друг друга,

отличаясь совсем незначительными характеристиками. Однако только небольшая часть из них по-настоящему представляет ценность и в перспективе может взорвать рынок, как это сделал биткоин в 2016-2017 годах.

Интерес к блокчейну и криптовалюте в Казахстане идет как «сверху», так и «снизу»: в то время как правительство берет курс на внедрение новой перспективной технологии, рядовые граждане рассматривают эфир и биткоин как хороший способ вложения средств. Бизнес-сообщество тоже проявляет высокий интерес к теме, потому что развитие блокчейн-технологий и повышение роли криптовалюты — хорошее пространство для образования стартапов. Правительство Казахстана впервые явно обозначило свой интерес к теме блокчейна летом 2016-го года: на IX Астанинском экономическом форуме прошел воркшоп, посвященный перспективам блокчейна в государственном управлении. В течение 2016–2017 гг. в Казахстане было анонсировано несколько крупных блокчейн-проектов государственного уровня. Сегодня страна уверенно идет навстречу блокчейну, и это движение преследует цели сделать Казахстан технически развитой страной и повысить его инвестиционную привлекательность. Биткоин, по прогнозу, будет и дальше расти в цене — вплоть до \$5000 за единицу. Поэтому в Казахстане добыча биткоинов (майнинг) становится популярным бизнесом. В данной статье раскрываются сущность, функции и перспективы криптовалюты как нового веяния в валютной системе многих стран.

Ключевые слова: криптовалюта, биткоин, деньги, транзакции, ценные бумаги, блокчейн.

Introduction

Creator of bitcoin is Satoshi Nakamoto. At the same time, no one knows whether this person or the name of the group of people who created the crypto currency is real. But the concept of the system suggests that authorship is not fundamental. Bitcoin 0.1 was released on January 9, 2009.

The revolutionary idea was that this is the first electronic payment system based on mathematical calculations. This currency goes beyond the usual paradigm: someone specific does not release it, it is decentralized. Operations are conducted without intermediaries. Currency emission occurs through the work of millions of computers that are engaged in the calculation of mathematical algorithms around the world. This process is called mining.

Crypto currency is a digital (virtual) currency that does not have a physical expression. The unit of such currency is “coin”, which in English means “piece of money”. In this case, the coin is protected from forgery, since the coin is an encrypted information that can not be copied. The use of cryptography led to the use of the prefix “crypto” in the name of the crypto currency. (1)

The existence of crypto currency is based on the blockchain. This is a continuous series of consecutive blocks of data. Blocks contain information about all transactions in the payment system of the crypto currency.

The system is anonymous, there are no names in it, only numbers of purses. In this case, the blockchain is a decentralized database, it is distributed to several thousand computers around the world. Therefore, the blockchain account provides transparency and full autonomy for operations on the crypto currency.

Materials and methods

After creating bitcoin, many other crypto-currencies have been appeared. Moreover, there are crypto-currencies, named after Putin and Trump. In 2015, Ethereum was created (ether, etherium). The idea of “Ethereum” was proposed by the Canadian programmer of Russian origin Vitaliy Buterin. At the age of 20, Buterin developed the Ethereum platform to create decentralized online services on the basis of the blockchain, working on the basis of smart contracts. The program code of the ether is more secure than that of bitcoin, and is suitable not only for financial transactions, but also for applying blockchain to legal transactions.

To start the mine and earn money on crypto, you need equipment. In fact, the farm for mining is a computer with a powerful video card. Farmers say that today it does not really make sense to run the bitcoin today – on aliexpress it is already possible to buy equipment adapted for mining, and, therefore, more efficient. In China, such units with the size of a toaster, for example, are hammered in entire buildings and produce crypto-loans on an industrial scale. However, there are too many single participants in the system. Beginning farmers are usually mine altcoins, that is, alternative currencies that work on the principle of bitcoins. In this case, the most popular crypto currency is the etherium.

In order for ordinary money to appear on the account in electronic form, they must first be physically deposited into the account, for example, through a bank or payment terminal. That is, for ordinary currency, the electronic form is one of the forms of physical incarnation. Crypto currency is issued directly on the Internet and is not connected in any way with any ordinary currency or with any state currency system.

In early 2011, Jed McCaleb launched the MtGox exchange, which allowed exchanging bitcoins for “real” money and back. MtGox immediately became a very popular platform, and to this day remains one of the main places for both entering and withdrawing virtual money, and for assessing their course.(2)

Currently, there are some flaws in this system, such as:

- trust in bitcoin;
- the problem of inaccessibility;
- difficult to obtain;
- it is impossible to say in advance which crypto currency will be in demand in a few years;
- unlike a credit card transaction, a transaction with a crypto currency can not be canceled – any write-off transaction is considered complete and is not subject to change;
- limited circulation: at the moment, bitcoins can not be paid anywhere.

In the market represented by more than 700 crypto-currencies, bitcoin dominates with a share of about 80%, and the top five (including bitcoin), by market capitalization, occupies 94%.

In addition to attempts to regulate or ban the government, bitcoin has other problems, such as currency deflation, speculation, and the arms race.

The main advantage of crypto-currencies over conventional ones is the substantially lower transaction costs – distribution costs – zero or very low commissions. The absence of monopoly in the production of bitcoins – one of the most attractive of its characteristics. Crypto-currencies have one very useful feature in the face of tightening sanctions. They allow you to bypass sanctions aimed at limiting monetary transactions with one or another country.

Protection against the collapse of the banking system: why bitcoin is better than a bank account:

- bitcoin does not depend on the state of the financial system, and even if all the banks of the world are massively bankrupt, your money will still be available.
- the main difference between money in a bank account from bitcoin – the latter can be spent and transferred anywhere, and in payment for anything at any time, be it a working day or an international holiday. And no one will ask you questions about the purposes of using the funds, no matter how large these amounts are.
- the third important difference between crypto currency is the previously known emission rate.
- with the help of crypto currency, in principle, you can perform any operation – the

main thing is for the service provider to accept this currency. In addition, with the help of crypto currency, you can carry out transactions safely and without intermediaries.

Unlike classical electronic money, digital currencies do not have analogs in the physical world and represent a set of encrypted data stored in the network of the block chain. Emission of new coins occurs according to a given algorithm and usually has a limit on the number of coins issued, for example, bitcoins will be issued only 21 million.(3)

To work with crypto currency, there is a necessity of special software – a wallet program. This program allows the user to work with the block chain and create transactions or receive transfers to his address. To work with bitcoin-wallet you need two keys:

- public key is an address where any owner can transfer funds;
- private key – a secret alphanumeric code, with the help of which the user signs his transactions.

The signed transaction is transferred to the network and after several confirmations the funds are credited to the specified address.

Basic principles of working with crypto-currencies:

- irreversibility – the transaction made cannot be canceled;
- anonymity – the block chain does not contain information about the owners of funds;
- decentralization – the network is maintained by a huge number of nodes controlled by different users;
- Security – the use of cryptographic methods makes crypto currency resistant to hacking.

Some consider the crypto currency to be the genius invention of mankind, others – the usual financial pyramid. The attitude of different states to bitcoins is ambiguous. After all, the philosophy of crypto currency is contrary to the concept of power and control. Nevertheless, governments of different countries are already thinking how to use blockchain with benefits for themselves.

Interest in crypto-currencies can be divided into speculative, anarchistic or shadow. Speculators see in them the ability to quickly earn on the growth or arbitrage of crypto-exchange rates, see them as another techno-toy, and the anarchists see an opportunity in a new redistribution of the world financial system. Also there is a large volume of the shadow sector, in particular bitcoins are often used in the shadow markets, as it is anonymous and relatively safe. In general, Bitcoin as the most widespread and capitalized currency, for six years,

has grown by 25 thousand percent – it is extremely difficult to find a financial instrument with a similar yield. Perhaps this is kindling the excitement of both professional and non-professional players.

Crypto currency is also used in black online markets, such as Silk Road. The original Silk Road was closed in October 2013, and since then two more variants have appeared; the current version is Silk Road 3.0. The successful format of the “Silk Road” is widely used in the black markets on the Internet, which led to the subsequent decentralization of the black online market. Within a year after the closure of the original Silk Road, the number of notable black markets increased from four to twelve, and the volume of drug lists increased from 18,000 to 32,000 records.(4)

Markets in darknet are facing growing problems with respect to legality. Bitcoins and other forms of crypto currency used in black markets are not legally classified almost in all parts of the world. In the United States bitcoins are designated as “virtual assets”. Such an ambiguous classification increases pressure on law enforcement agencies around the world, creating obstacles to the elimination of drug trafficking from black markets.

Because most of the markets in the darknet work through Tor, they can be found relatively easily in public domains. This means that their addresses can be found, as well as customer reviews and open forums relating to drugs sold on the market, without exposing users. Such anonymity allows users on both sides of the dark markets to hide from law enforcement. As a result, law enforcement agencies are campaigning to separate individual markets and drug traffickers to reduce supply. However, dealers and suppliers can stay a step ahead of law enforcement agencies that cannot keep pace with the rapidly expanding and anonymous platforms of dark markets.

In addition, the market of crypto-currency is still very small, and the rate of electronic money varies depending on the information field. At the moment, the market is very young, and the crypto-currency is perceived more as a commodity than a currency, and goods are characterized by such high volatility, an example is the oil market. Most players are traded for the first time on the exchange and easily succumb to both euphoria and panic. Also, the fundamental factor is the capitalization of the crypto-currency market, which does not exceed \$ 89 billion USD, which is very small for the world market. This means that even our National Bank can enter the market with small interventions and arrange high-level speculation.

In our opinion, the government should not try to regulate this sphere with the help of the usual mechanisms, since such an approach is impossible with the crypto-currency. If our bankers and those in power do not understand that they need to reorganize, as in Japan, this could negatively affect our economy. The technology of blockchain is equivalent to a mudflow, an element that can not be resisted. If the flow takes hold, it sweeps everything away, and neither the status of a person, nor how much money is in his bank. If in Kazakhstan some will try to regulate the blockchain, will try to leave privileges for themselves, at the next stage of development smart and active people will simply take their business abroad. Here remains a purely raw material appendage to other states. We believe that this issue should be solved in the most open manner. But many are afraid, because the blockchain deprives people of privileges, and people do not want to lose their privileges. This is the main problem.

In 2016, the Russian Ministry of Finance proposed to put for the release of bitcoins for seven years. But this year the head of the SberBank, German Gref, spoke in favor of bitcoin’s regulation by state. A Swiss private bank Falcon, for example, launched a service for the purchase and storage of bitcoins.

In Kazakhstan, only now we saw the prospects and opportunities of blockchain technology. At the Astana Economic Forum, held in May 2016 in Astana, the representatives of Kazakhtelecom spoke out its plans to study the possibility of using blockchain in the public sector. In Kazakhstan, there are also conversations about the development of blockchain technologies. A year ago, Almaty Tech Garden CEO Sanjar Kettebekov said that IBM intends to invest \$ 3 million USD in the creation and development of a blockchain laboratory in Kazakhstan. The National Bank of the Republic of Kazakhstan recently announced that it is launching a project to buy and sell securities on the basis of blockchain. The first national crypto-currency of Kazakhstan was called Halykcoin.

The International Financial Center “Astana” (IFCA) and the investment company EXANTE signed a memorandum of cooperation, under which a new crypto-currency will be created on the basis of the Stasis platform, provided with traditional financial assets. According to experts, the expected capitalization of the new crypto-asset will be about 2-3 billion in equivalent of Euro. This asset will act as a protective asset for the crypto-currency market by analogy with US government bonds for the global stock market.

In addition, EXANTE representatives plan to develop the “IFCA Act on Regulation of the crypto-assets’ market and Support the development of financial and technological ecosystems”. Blockchain and crypto-currencies are becoming one of the top priorities for the development of the economic sector in many countries of the world. Right now leading financial regulators are actively working to create favorable conditions for the development of financial and technological companies. We believe that the International Financial Center “Astana” can become one of the global innovative financial hubs. In the future, EXANTE intends to cooperate with other state financial institutions. The Stasis platform is a financial and technological infrastructure for launching a digital asset in the world market, provided with traditional financial instruments with regular state audit.

Nowadays, the first and so far only bitcoin-ATM appeared in Kazakhstan in 2015, earlier than in other CIS countries. It is in the well-known shopping center of Almaty “Ritz Palace” and gives the opportunity to buy bitcoins for KZT with a commission of 5%. Some online stores, such as Satam, Robotron Gadgets and Zapp Premium, also accept bitcoins for payment. In addition, direct exchange of KZT to bitcoins and back is possible online via electronic exchangers of the type pmcash.kz or 1wm.kz with further withdrawal to bank cards.

Bitcoin has problems, and their popularity has caused them. Due to the increased number of transactions, information about them ceased to be placed in the standard block of bitcoin-network. Therefore, it was decided to reform the system.

There are two versions of the event developments: either the block size will simply be increased from the standard 1 MB to two, or the network will be optimized by taking some information out of the blocks, with the separation of the electronic signature, which is confirmed by each transaction. This update was called Segwit (Segregated Witness). However, both versions cause disputes around the platform users, which even nicknamed “civil war”. After discussions, the miners signed an agreement that they will switch to Segwit on August 1, 2017, but in November of the same year the size of the blocks will still be increased to 2 MB. However, there is a possibility that some of the miners will still refuse to switch to Segwit. Then bitcoin can be divided into two chains.

A similar problem was already with the broadcast. Despite the high resistance to external attacks, the blockchain systems can be hacked. June 17, 2016, an unknown hacker began to massively

withdraw the “Efirium” blockchain’s tokens, stealing \$ 53 million. Buterin and his team for a long time tried to track down the hacker, but could not return the money. As a result, they decided to roll back all transactions at the time of the hack.

As a result, the “Efirium” hardfork was implemented, that is, split into two branches. But some users were against this action, because it is generally contrary to decentralization, which is the basis of the blockchain. As a result, “Efirium” was divided into two camps: “Efirium hardfork” and “Efirium classic”. The consequences of the split are still visible on the crypto-exchange markets.(5)

There is an opinion that crypto-currencies, for all their revolutionary nature, are just another financial pyramid, which can collapse as soon as enough money is collected. Some economists believe that this technology has signs of a financial pyramid. Another issue is that the crypto-currency can hardly be estimated within the framework of traditional concepts.

Opinions were divided into positive (the rate will grow further) and skeptical (this is a bubble, and everything will burst). At the same time, both sides are based more on their feelings and technical analysis than on any fundamental factors. If you evaluate the crypto-currency with a conservative analysis, then yes, currently, all the factors of the financial pyramid, praise, blind faith in technology are inherent in it. The crisis showed that from the time of Internet companies’ growth, a substitution of concepts took place: doing business via the Internet is only a tool for implementing a business process, but not an independent business process capable of generating income from invested capital.

Andrei Sustavov, CEO of SAS Kazakhstan, working in the field of business analytics, believes that any tool can be wrapped for good or bad, but support for blockchain-technology at the state level means, first of all, building a stable and secure payment system. He also believes that the blockchain will maintain its independence from the National Bank.(6)

At the moment, financial experts identified five main crypto currencies, which promise to become stronger in 2018 due to the active growth of investments, and as it follows – the growth of their exchange rate.

At the moment, the leading position among all currencies is Bitcoin, also known as the “cue ball,” according to the forecasts of experts, the “cue ball” rate at the end of 2018 will be about 3000 US \$ per unit. One of the main advantages of this type of crypto currency is the anonymity in having a

deal with transactions. In 2018, the most popular and promising currencies will be those that will not lose their positions and offer users more options and additions, compared to their closest competitors.

Despite the huge number of advantages, the currency, of course, has its drawbacks, so it can be classified as limited emission and the emergence of new difficulties associated with mining. At the moment, there are practically no crypto-currencies that can compete strongly with the “cue ball”, because it is bitcoin that now brings the greatest profit to owners.

For example, the owners of Bitcoin-mines become not only more difficult to solve organizational and computing tasks, but the cost of electricity, equipment and technological requirements are constantly growing, and revenues are falling. But, on the other hand, the closer the limit of a certain digital currency, the higher its rate and attractiveness in terms of investments. In 2017, the number of private self-earners of the currency has decreased significantly, but collective mining has become more promising and profitable. This was the impetus for the rapid development of not only a variety of mining organizations and pools, but also developers of computer equipment capable of coping with more complex tasks.(7)

The leading position of bitcoin is also explained by the fact that the currency has received official status in some countries. However, obtaining an official status can negatively affect the virtual currency, since the participants in financial transactions can no longer remain anonymous. In this regard, the opinions of experts were divided into two, where one side believes that legalization of the crypto currency will make bitcoin more reliable and promising, and the other that the officially recognized “cue ball” will not be interesting to anyone.

The next place in the list of the most attractive crypto-currencies belongs to the Efirium, created on the block chain platform not so long ago – in 2015. Developed on the basis of a distributed database, the Efirium has become quite popular over a short period of time. For comparison, we can consider the dynamics of the growth of the crypto currency, so in the spring of 2017 the rate of the efirium was about \$ 40, and already in the middle of summer the value of the virtual currency increased to \$ 280. Such growth rates make Efirium quite attractive from the investment point of view. So, according to forecasts, the amount of investment in this crypto currency in 2018 may reach \$ 3 billion. It is worth mentioning that due to its stability and versatility, the efirium

can completely replace the electronic instruments of the world financial market in the near future, as well as completely displace bitcoin. The popularity of the digital currency and the growth of the rate can also be explained by the favorable terms of trade offered by the eToro service for the currency pair of the efirium dollar.

When it comes to the most promising digital currencies of 2018, we can not to mention Litecoin. Litecoin appeared almost immediately after bitcoin – in 2011 and already earned a lot of positive feedback from well-known financial experts. Despite the fact that lightcoin appeared as early as 2011, it is only passing to active development, which is confirmed by the stable growth of the exchange rate and the increase in the amount of capital investments. The appearance of Litecoin gave the possibility of mining crypto-currency to individual miners, and not only to owners of powerful crypto-currency mines, as it was the situation with bitcoin. This currency is rather unusual in that its creator, Charlie Lee, was able to tie the course of the crypto-currency to silver prices, and the peculiarity of the settlement system lies in innovative methods of mining, which significantly shorten the settlement time. At the moment, Litecoin has gained a reputation as one of the safe and stable crypto-currencies, which is confirmed by the investment of \$ 2 billion, and the light-coin rate at the moment is about \$ 39 of US. It is necessary to take into account the fact that in April 2017, the light-coin rate did not exceed 9 dollars. Such dynamics of growth and an impressive amount of investments give lightcoin the third place in the list of the most promising crypto currency in 2018.

The prospects for crypto currency are market quotes, so the Monero rate for 4 months increased from 21 to 43 dollars. Of course, maybe this is not such a large amount for a unit, as the aforementioned crypto-currencies, but according to financial experts, the monero only begins to reveal its potential. At the moment, the amount of investment in the crypto currency exceeds 260,000,000 US dollars, and continues to increase steadily. The penultimate place in the list was taken by the crypto currency called Monero. The first Monero became known even before the advent of the Ethereum, in 2014. An interesting feature of this digital currency is that the entire technology is based on complete mutual trust between the holders of the crypto currency. So, the user can easily exchange currency at a favorable rate with just one mouse click, thereby creating a new information channel in the system. The number of investments in ripple now exceeds \$

250 million, and the exchange rate of the currency unit is approximately \$ 0.27. It is important to say that as early as in the spring of 2017, one ripple was much cheaper, and in 2018 experts forecast an active growth of the Ripple rate. The last place in the list belongs to the open source crypto currency called Ripple. Although the Ripple exchange rate is lower than all the above crypto currencies, experts do not advise him to underestimate.(8)

It is worth mentioning that along with the listed top 5, there are other digital currencies, such as Zcash, DogeCoin or Golem which can also take the top spots in 2018.

Results and discussion

In the world, the popularity of crypto currency and blocking technology is growing, which gives a lot of ways how to earn bitcoins or other crypto currency. There are a lot of such ways, they can be divided into those that require financial investments for the purchase of equipment or purchase of digital coins and how to earn a crypto currency without investments. The first option includes:

1. Trade in crypto currency. Exchange bitcoin or other coins among themselves or for real money, at a favorable rate. The principle of earnings is simple – with a decrease in the rate of buying, and with an increase in selling. To conduct trade it is possible on crypto currency exchanges – Exmo, Binance and other. Also, digital coins can be exchanged for online exchange services. You can buy bitcoin via telegram-bots.

2. Invest funds in the Crypto-currency into the Trust Management. You can independently deal with stock trading, thanks to the world's first social broker eToro. The platform makes it possible to repeat the actions of successful traders.

3. Mining bitcoin. The solution of complex cryptographic tasks with the help of special equipment is the mining of the farm. Finding a certain result allows you to confirm the blocks of transactions in the network, for which you receive a reward in the form of new coins. This method requires the purchase of equipment. Users wishing to mine without attachments and possess a powerful PC can try to extract altcoins by merging with other users into the pool using the Minergate service.

4. Cloud mining. This service is provided by special services, which make it possible to take a certain amount of computing power for rent and make a profit. The minimum investment is several USD, and the most popular service – Hashflare gives access to the mining of several popular crypto-currencies.

The second method includes bitcoins. There is a possibility of earning bitcoin without attachments for visiting special sites where a certain number of coins are charged for entering captcha and viewing advertising. The award is available once in a certain period of time, and one of the popular cranes is considered to be freebitcoin. Such sites support a referral system of rewards for attracting new users. Even there is a bitcoin of the game, for example Chopcoin.(9)

Recently, many new crypto-currencies have appeared. To develop their projects, they use the ICO program – the initial placement of coins to attract investment.

You can earn on these programs in several ways:

- purchase coins in the early stages of placement with an additional bonus and sell it after it grows;

- Airdrop – free distribution of some amount of crypto currency to attract attention and popularize new coins;

- Bounty – a program to promote new coins in social networks and popular portals, developers pay active users or their subscribers who contribute to the popularization of their currency.

Conclusion

Currently, the legal status of crypto-currency in the world is expanding. Bitcoins are recognized as a monetary unit in Germany, in Japan bitcoin is a legal tender for a long time already. Kazakhstan is far from such a perspective.

The main purpose of legalization of turnover is toughening of state control over transactions with virtual currency and combating illegal currency transfers. In addition, authorized state structures should be able, if necessary, to check each participant in the chain of currency transactions in order to prevent money-laundering. It is predicted that the appropriation of the national status will enhance the security of foreign exchange operations and will make the state the guarantor of the reliability of electronic transfers.

Today, life is changing very rapidly. This is due to innovative information technologies that improve the quality of life of everyone who actively uses them. It is impossible to say whether the crypto-currencies are good, whether they will bring something new to the economy or become one of the types of electronic money, becoming attached to the rate of materially secured currencies. One thing is clear: there is a huge potential in the crypto-currencies, which, on the one hand, can give a strong impetus to the economy of the whole world, on the other – to slow down its development.

References

- 1 “The popularity of crypto currency and blocking technology” by C. Brand, D. Gerdesmeier and B. Roffia, May 2017.
- 2 “Basic principles of working with crypto-currencies” by V. Genre and R. Gómez-Salvador, July 2017.
- 3 “Which is better: bitcoin or a bank account?” by D. Russo, T. L. Hart and A. Schönenberger, September 2016.
- 4 “Banking integration in the euro area” by I. Cabral, F. Dierick and J. Vesala, December 2016.
- 5 “Economic relations with regions neighbouring the euro area in the ‘Euro Time Zone’” by F. Mazzaferro, A. Mehl, M. Sturm, C. Thimann and A. Winkler, December 2017.
- 6 Crypto-currency Dash: forecasts and prospects. 12/12/2017. // Website: <http://xn--80adraibkvfdjweecn6lwb.xn--p1ai/top-10-kriptovalyut/dash/>
- 7 Crypto-currency Lisk (LSK). Rate, prospects, capitalization. 09/25/2012 // Website: <https://www.bitbetnews.com/altkoin/chto-takoe-kriptovaljuta-lisk/.html>
- 8 Weekly review of HYIPs-Crypto-currency. 08/09/17. Expert: Galim Khusainov // Website: <https://sleduizamnoi.com/kriptoalyuta-obzor-khaypov/>
- 9 Crypto-currency is the best investment of 2017. 11/30/2016. // Website: <https://www.facebook.com/onecoin.kript/>
- 10 What is the most promising crypto-currency in 2017? 05/30/2017. // Website: <https://coinnet.ru/obzory/perspektivnye-kriptoalyuty-v-2017-godu.html>
- 11 What is a crypto-currency and how can it be earned on it? 12/03/2017. // Website: <https://visinvest.net/chto-takoe-kriptoalyuta-i-kak-na-nej-zarabotat.html>

IRSTI 06.39.31

¹Nurseytova G.B., ¹Zhakupbekova G.E., ²Dr. Juri Tolujew¹Al-Farabi Kazakh National University, Almaty, Kazakhstan
e-mail: n.gulmyra@mail.ru²Fraunhofer Institute for Factory Operation and Automation
Magdeburg, Germany, e-mail: tolujew@iff.fraunhofer.de

METHODS OF PROJECT RISK MANAGEMENT

Abstract. This article describes the methods of project risk management. The relevance of this topic is that any project, whether it is social, commercial or innovative, all of them are subject to risk. The main purpose of project risk management is to minimize the degree of risk, achieve a positive result. The risks identified during the implementation of the project can be managed, that is, using various methods of risk management, it is possible to predict in advance the onset of a risk event, to determine the extent of the damage and to use methods to reduce their extent.

To achieve this goal, it is necessary to conduct a risk analysis and select the necessary risk management methods. Risk analysis is the most important stage in the analysis of the project and is divided into qualitative and quantitative. A qualitative risk analysis is to identify all project risks, to classify them, and to determine the consequences. Quantitative risk analysis is to determine the degree of project risks. There are a lot of risk management methods, but it is necessary to choose the correct methods depending on the type of risk.

The article reveals the methodology of the expert risk analysis, a method of constructing a decision tree and methodology for identification and assessment of project risks. Each method has advantages and disadvantages.

Key words: risk, risk management, project, method, probability, consequences, risk degree.

Аңдатпа. Осы мақалада жоба тәуекелдерін басқару әдістері қарастырылған. Кез келген жоба бойынша, ол әлеуметтік, коммерциялық немесе инновациялық болса да тәуекел орын алады, сол себептен қарастырылып отырған тақырып өзекті болып табылады. Жоба тәуекелін басқарудың негізгі мақсаты – тәуекелдің деңгейін төмендету, оң нәтижеге қол жеткізу. Жобаны іске асыру кезінде анықталған тәуекелдерді басқаруға болады, яғни тәуекелдерді басқарудың әртүрлі әдістерін қолдана отырып, қауіп-қатер оқиғасының басталуын алдын-ала болжауға болады, залал мөлшерін анықтауға және олардың мөлшерін азайту әдістерін пайдалануға мүмкіндік береді.

Осы мақсатқа жету үшін тәуекелді талдап, тиісті әдістерді таңдау қажет. Тәуекелдерді талдау – бұл жобаны талдаудың маңызды кезеңі болып табылады және сапалық мен сандық түрлерге бөлінеді. Сапалық тәуекелдерді талдау – барлық жобалық тәуекелдерді анықтау, оларды жіктеу және салдарын анықтау. Сандық тәуекелді талдау – жобалық тәуекелдердің дәрежесін анықтау. Тәуекелдерді басқарудың көптеген әдістері бар, бірақ тәуекел түріне байланысты дұрыс әдістерді таңдау қажет.

Мақалада тәуекелді сараптамалық талдау, шешімдер ағашын құру және жоба тәуекелін анықтау мен бағалау әдістері қарастырылған. Әрбір әдістің артықшылықтары мен кемшіліктері болады.

Түйін сөздер: тәуекел, тәуекелдерді басқару, жоба, әдіс, ықтималдылық, салдар, тәуекел деңгейі.

Абстракт. В данной статье рассмотрены методы управления рисками проекта. Актуальность данной темы заключается в том, что любой проект, будь это социальный, коммерческий либо инновационный, все они подвергаются риску. Основной целью управления рисками проекта является минимизация степени риска, достижения положительного результата. Риски, выявленные в процессе реализации проекта, можно управлять, то есть используя различные методы управления рисками можно заранее спрогнозировать наступление рисковомго события, определить масштаб ущерба и использовать методы по снижению их степени.

Для достижения данной цели необходимо провести анализ рисков и выбрать определенные методы управления рисками. Анализ рисков является важнейшим этапом анализа проекта и делится на качественный и количественный. Качественный анализ рисков заключается в определении всех предполагаемых рисков проекта,

их классификации и определении последствий. Количественный анализ рисков заключается в определении степени рисков проекта. Методов управления рисками большое количество, но следует правильно выбирать методы в зависимости от вида риска.

В статье раскрыты методики проведения экспертного анализа рисков, метод построения дерева решений и методика идентификации и оценки рисков проекта. По каждому методу имеются преимущества и недостатки.

Ключевые слова: риск, управление рисками, проект, метод, вероятность, последствия, степень риска.

Introduction

Entrepreneurial activity is closely connected with the concept of the risk. For successful conducting the activity in conditions of market economy the entrepreneur needs to release new types of goods and to render services that is directly connected with risk. In communication with it it is necessary to identify correctly risks, to define degree of risks and to own skills of their management.

Risk is a probabilistic event that can result in positive or negative consequences. If the occurrence of a risk event may result in both positive and negative results, it refers to speculative risks. If the results are negative, then such risk refers to the pure risks.

Risk is possibility of occurrence during project implementation of such conditions will lead to negative consequences (Tsamutali, 2013, 32 p.).

Risks are those risks which are identified, subjected to the analysis and with regard to which response actions can be planned (Kupeshova, 2016 a, 10 p.). Management of risks – process of acceptance and implementation of the administrative decisions directed to decrease in probability of realization of risk and minimization of the possible losses caused by its realization.

Project risk management – a set of measures aimed at identification of risks, measurement and control of risks within the project.

The purpose of management of risk consists in receiving the planned profit at the optimal ratio of profit and risk for the entrepreneur.

The purpose of creating a risk management system is to improve efficiency of work, reduce losses and maximize profits.

Material and Methods

This article examines the problems of project risk management, factors of emergence of risks, types of losses and methods of management of risks.

The main stages of the study include:

1. To give definition to the concepts “risk”, “risk management”, “risk management of the project”.
2. To define factors of emergence of risk.
3. To determine the features of qualitative and quantitative risk analysis of the project.

4. To reveal the content of the project risk identification and assessment methodology.

5. Disclose expert risk analysis.

6. Consider a method of building a decision tree.

High-quality management of risk increases chances of a control system of the project to achieve success in a long-term outlook, considerably reduces danger of inefficient implementation of the project (Mazur, 2009).

The analysis of risks is the most important stage of the analysis of the investment project. The analysis is carried out at a stage of development of the business plan of the project. This section of the business plan consists of identification of alleged risks of the project, the mechanism of their interaction, measures for decrease in risks, the interests of all parties in overcoming danger of risks, assessment of risks by experts, etc.

Carrying out the qualitative analysis begins with the identification of the project risks, the division of risks into groups and the arrangement in the order of their priorities. The arrangement of risks on degree of their importance for the further analysis or planning of response to risks can be executed by assessment of probability of their emergence and impact on the project. The qualitative analysis of risks is carried out on an extent of all vital cycle of the project and reflects all changes relating to risks of the project.

Before starting the analysis, it is necessary to determine factors of emergence of risk, risk classification and types of losses that may occur after the implementation of risk events.

The occurrence of the risk factors are divided into external and internal.

Project Manager during project management Taking into account external risk factors provides measures to reduce the level of risk, but does not affect them directly. Overall, external risk factors, the types are classified as follows:

- market risk factors is characterized by changes in the markets for procurement of materials and raw materials and sales of products of the project;
- development policies of competing companies;
- external economic risk factors include political stability in the social sphere, climatic situations, the policy of publication in the field of Finance and tax

policy, climatic conditions, demographic and social factors.

Project Manager taking into account the influence of internal risk factors, provides measures to reduce the level of risk and directly can affect on them. Internal risk factors are classified the following types:

- production factors related to project characteristics, equipment and technology used, organization and management of project operations;

- decision-making and their implementation in the process of risk management mistakes made by managers;

- financing of the project, defining financial position and ability to repay long-term and short obligations.

The main factors of project risks researched in Table 1, their negative impact on the project, and measures to reduce them are shown in the table below (Vishnyakov, 2007, 386 p).

Table 1 – The main risk factors of the project

	Risk factors	The impact on the project	Measures to reduce risk
1.	Lack of support for the project from the management of the client company	Increase in a date of performance of the works relating to the project	Appoint the responsible worker from the management of the companies of the customer for quality of the performed works and observance of terms on the project
2.	Violation of the interests of the project participants	Clearly or hidden sabotage on the part of individual members	Formation of the organizational structure of management at all levels of management, ensuring the interests of the project participants
3.	The of discrepancy of the participants opinions on important issues	Difficulty of adoption of project documents and works of result	Definition of relationships, rights, duties and responsibilities of project participants and management bodies
4.	Complete underestimation of the complexity of the project	Poor quality of work concluded in the framework of the term and budget specified	Identification of the required level of planning and use of resources
5.	The lack of motivation of employees to master of new technologies	The decrease in the efficiency of technology implementation	Formation of the personnel incentive system
6.	The complexity of development of new technologies,	High requirements for staff qualifications	Organization of training courses
7.	The lack of complete and accurate primary information	The discrepancy of the results of the project to the customer's requirements	Warning of the customer about the need for work on the collection, formation and analysis of additional information as a result of the study of existing documents of the contractor project
8.	The lack of timely funding	Losses from originally enclosed investments	The formation of the project budget and financial planning

The main types of losses and risks include:

Financial losses – the losses of monetary means connected by c inflation, change of a rate of currencies, not receipt of money from the provided sources, unforeseen payments, such as payment of penalties, additional taxes, etc.

Labor losses are losses associated with unexpected layoffs, as well as losses of time funds due to accidental, uncertain circumstances.

Social losses-deterioration of working

conditions of workers, harm to their health and life, the environment, etc.

Risk analysis is carried out for the purpose of:

1. Identification of project risks and their reasons of their emergence.

2. Determination of the probable negative consequences resulting from the occurrence of risk events.

3. Selection of measures to minimize risks.

The next stage of the analysis is a quantitative analysis of risks.

The quantitative risk analysis is a quantitative analysis of the impact of identified risks on a project objective. Quantitative risk assessment allows you to determine:

- probability of achieving the ultimate goal of the project;
- degree of risk impact on the project;
- risks requiring a speedy response, an also influence of their consequences on the project;
- amount of expenses for risk reduction;
- estimated completion dates for risk management.

The choice of methods of the analysis is defined for each project and depends on existence of time and on the budget of the project.

Quantitative analysis is carried out on the basis of use of the methods of probability theory, which is caused by the probabilistic nature of uncertainty and risks.

The main methods of risk analysis of the project include:

1. A probabilistic analysis. This method is carried out in accordance with the principles of probability theory. The probability of emergence of losses is determined on the basis of statistics of similar projects implemented in the past.

2. Expert risk analysis. The method is used in the absence or insufficient amount of information and is to involve experts to assess the identified risks. Experts assess risks and make recommendations for their effective management.

3. The method of analogues. Risk analysis is based on data from similar projects implemented in the previous period. This method is used when the main parameters of projects are similar.

4. Analysis of limit level indicators. The indicators of the limit level characterize the degree of sustainability of the project on the relation to possible changes in the conditions of its implementation. The break-even point is calculated to confirm the stability of the project.

5. Sensitivity analysis of the project. This method makes it possible to determine which risks have the greatest impact on the project, also to estimate to assess how the main indicators of the project at different values of the specified variables needed for the calculation are changing.

6. Analysis of project development scenarios is a method of forecasting by experts several possible variants of the situation and their comparative evaluation.

7. A method of constructing a decision tree. In difficult situations, when it is difficult to calculate the result of a project taking into account the

possible risks, use the method of creation a decision tree. The decision tree describes the situation under consideration, taking into account each of the available options.

8. Simulation methods. Methods consist on step-by-step finding of value of the resulting indicator at the expense of carrying out repeated experiments with model. The use of these methods is costly.

Different methods are used to determine the degree of risks. One of such methods is "Technique of identification and assessment of risks".

Risk identification is the process of identifying risk elements, listing them and describing each of risk element (ISO/IEC 31010:2009).

The importance of risk identification is that it determines the completeness and adequacy of the risk assessment process (Ivanov, 2016, 42p.).

The important purpose of risk management is to improve project performance by means of systematic identification, appraisal and management of project-related risk (Kupeshova, 2016b, 10 p.).

Literature review

During the preparation of this article the works of foreign and domestic scientists on the topic were studied. Thus, Bakker examines the effectiveness of various methods of project risk management (Bakker, 2011, 209 p.). M.Schieg considers risks of quality, personnel, expenses and time (Schieg, 2006, 77 p.). According to Didraga, risk management offers genuine and significant benefit to organizations, their project and stakeholders. (Didraga, 2013, 86 p.). E. Kutsch, and M. Hall in their writings consider several factors that can reduce the likelihood that formal project risk management is used (Kutsch, 2009, 73 p.). Y.Zhang suggests that any project execution is always accompanied by risks and the studies on project risks and risk interdependence have always been the topics of concern in academia and practice (Zhang, 2016, 820 p.). R.Dyer in the article «Cultural sense-making integration into risk mitigation strategies towards megaproject success» defines the concepts of "risk" and "risk management" (Dyer, 2017, 1341 p.). S.Vrhovec believes that organizational risks need to be diagnosed in order to identify the underlying root causes (Vrhovec, 2015, 1270 p.). Stewart and Deng argue that risk managers generally pay insufficient attention to the probability of occurrence of risk events when conducting risk analysis (Stewart, 2014, 204 p.). J.Liu and others note in their work that risk assessment can be divided into qualitative and quantitative methods (Liu, 2017, 204 p.). Sara and others believe that identifying risks in the project

definition phase is a critical task, since the risks that can be detected are strategic and must be removed before taking the decision to start with the project (Sara, 2014, 327 p.). Also, they offer to manage risks at each stage for the successful completion of the project. Y.Rolik assumes that the main purpose of the risk management cycle is preparation for the occurrence of risks, namely risk management planning (Rolik, 2017, 278 p.). According to L. Abdullah, the risks critical to a client are associated with complexity, contract, execution, financial, legal, the organizational environment, planning and control, scope and requirements, the team, and the user (Abdullah, 2012, 1930 p.). R.Yim and others suggest that project managers should ensure that every employee involved in a project has access to the necessary information and that information is up-to-date and complete (Yim, 2015, 874 p.). F.Zuo and others argue that "Project risk is defined as an uncertain event causing damage or loss, which is considered to be threatening in project management due to the fact that it exerts effects on project objectives such as schedule, cost and quality" (Zuo, 2018, 241 p.). E.Kutsch and M.Hall consider that project risk management involves a choice between which information is utilized and which is deemed to be irrelevant and hence excluded (Kutsch, 2010, 245 p.). According to C.Muriana and G.Vizzini, quantitative risk assessment and management allows for fast decision-making (Muriana, 2017, 320 p.). According to the authors of the article «The project risk management process, a preliminary study» Rodrigues-da-Silva and J.Crispina, a process of risk management in projects is a rational chain of practices taken by decision-agents in order to keep the implementation of the project under certain conditions (Rodrigues-da-Silva, 2014, 944 p.).

Results and Discussion

The project risks identification consists in definition of all the estimated project risks capable

to affect negatively on the end result, and also in the definition of the factors influencing their level. Important not only to predict the estimated scratches, but also to define how these scratches can affect the project and how the consequences can be serious. Identification and risk analysis assumes carrying out a qualitative and quantitative analysis of the risks (Ivanov, 2008, 32 p.).

Quantitative assessment and risk analysis consists in identification of risk factors and assess their significance, that is the analysis of probability that there will be certain undesirable events and will negatively influence achievements of the goals of the project (Gurov, 2012, 203 p.).

Qualitative analysis consists in definition of the estimated risks of the project, research of their features, emergence factors, and identification of consequences of these risks realization. At this stage the classification of the identified risks is formed.

One of methods of quantitative assessment of risks is the technique of identification and assessment of risks.

The quantitative assessment of risks allows defining the followings:

- probability of an ultimate goal of the project achievement;
- extent of the risk influence on the project;
- the scratches demanding the fastest reaction, and also the influence of their consequences on the project;
- volumes of expenses for the decrease in the risk degree;
- the estimated completion dates on the risk management.

The probability of their realization is determined by this technique after the identification of all the estimated risks of the project (Mukhtarova, 2016, 103 p.).

The probability of the risk realization is determined by the 5th ball scale, the qualitative and quantitative characteristic is given. The higher is the point, the higher is the probability of the project risk realization (Table 2).

Table 2 – Probability of the project risk realization

Points	Probability	The qualitative characteristic	The quantitative characteristic
5	The highest	Probability of the risk realization is the highest. The risk can be implemented often.	Once a month
4	High	Probability of the risk realization is high. In the course of the project risk realization it can be implemented several times.	1 time in several months
3	Average	There is a probability of the risk realization.	1 time a quarter

2	Low	Probability of the risk realization is low. The risk in the similar projects was never implemented. Despite this it is necessary to carry out monitoring as its realization is possible under the certain conditions.	Once a year
1	The lowest	Probability of the risk realization is the lowest. The risk in the similar projects was never implemented. Despite this it is necessary to carry out monitoring as its realization is possible under the certain conditions.	1 time in 2 and more years

Further it is necessary to reveal the negative consequences in case of the risk realization. At the influence definition of the negative consequences

in the case of the risk realization it is necessary to define the influence extent of each risk on the ultimate goal of the project (Table 3).

Table 3 – Influence of the negative consequences in the case of the project risk realization

Points	Degree of impact	Description
5	Catastrophic	In case of the risk realization, the condition of the project is catastrophic
4	Critical	Consequences from the risk realization are very considerable, at the competent risk management it is possible to lower them to a particular degree
3	Admissible	Consequences from the risk realization are not considerable also can be completely corrected
2	Low	Consequences from the risk realization are not considerable
1	Slight	In case of the risk realization the consequences are absent

At probability of the risk realization to the project manager and the risk the manager needs to consider the actions for the risk management.

Effectiveness of the actions for the risk management is determined by the 5th ball scale (Table 4).

Table 4 – Effectiveness of project risk management activities

Points	Description
1	Actions for the risk management are of the high performance
2	Used actions are effective
3	Actions are estimated at the average level, they are less effective
4	Actions for the risk management are not effective
5	Actions for the risk management of the project are absent

Following the results of three tables the rating of the project risk is defined. The rating of the risk is equal to the work of indexes (points) according to these tables.

For example, the risk rating = $4 \cdot 3 \cdot 4 = 48$ points

Further the digital expression of the risk rating is defined (Table 5).

Table 5 – Digital expression of the project risk rating

Meanings	Degree of risk	Definition
from 40 and over	The highest	Actions for the risk management have to be prepared prior to the project implementation, otherwise, not to avoid the consequences
from 30 to 39	High	Actions for the risk management have to be defined or at their existence improved
from 20 to 29	Average	Actions have to be defined or at their presence improved in the established periods
from 10 to 29	Low	Occurrence of the risk events should be supervised, but to define actions for the risk management is not necessary
To 10	The lowest	

The degree of the project risk is determined by an index of the risk rating. If the risk degree is the highest

or high, it is necessary to consider actions for decrease in the risk degree as soon as possible (Table 6).

Table 6 – Effect risk management practices for project success (Bakker K, 2011, p 5)

Risk management Practice	Effective contribution to project success
Risk management Planning	Indicate importance of actions, communicate intended actions
Risk identification	Initiate action, create awareness, create common view, create commitment, sharing concerns, clarify Expectations
Risk registration	Setting direction
Risk analysis	Direction of actions, create acceptance of risk, indicate impact
Risk allocation	Initiate action
Risk reporting	Setting direction, setting priorities, create awareness, create commitment, clarify expectations, create positive feelings, establish trust
Risk control	Initiate action, direct action

Expert risk analysis is applied in case of absence or insufficient volume of information and consists in involvement of experts for risk assessment. The selected group of experts assesses the project and its individual processes according to the degree of risks and makes recommendations for effective risk management. The expert group may consist of independent experts, as well as members of the project group, who have extensive experience in this sphere of activity. Expert risk analysis, as well as other methods, has advantages and disadvantages. The advantages are: no need for accurate baseline data and expensive software, the ability to carry out assessment before calculation of efficiency of the project, as well as simplicity of calculations.

Disadvantages are: difficulty in attracting experts, subjectivity of assessments and provision of all confidential information to them.

The experts involved to assessment of risks have to:

- to have access to all available information of o the project;
- to have the necessary level of creative thinking;
- to have the sufficient level of knowledge, abilities and skills in this sphere of activity;
- to be free from personal preferences in the project relation;
- to be able to estimate any number of the identified risks.

Expert risk assessment of the project can be considered in the following form.

1. Identify risks that can significantly affect the final result of the project.

2. The identified risks should be prioritized from high risk to lower risk. For this purpose, it is determined which of them will have the greatest impact on the progress of the project.

3. To estimate ponder ability (rank) of each of the listed risks. The sum of the ranks of all risks must be equal to one. In other words, the sum of column 3 of table __ must be equal to one.

4. Experts estimate each type of risk on all projects (columns 4-6) on a 100-point scale.

5. Integrated assessment of influence of each risk (column 7 – 9) turns out by multiplication of weight of each risk on assessment of this risk for each project (column 3 is multiplied by columns with 4 on 6 respectively). The integral expert estimation of priority of variants of the project is defined as the sum on columns 7 – 9 on a vertical. Let's consider an example. Consider 3 confectionery shops: «Slastyona» – A, «gourmet» – B and «fairy Tale» – C. it is Necessary to determine which of the confectionery shops will be less risky and profitable. In this case, you can use expert risk analysis (Table 7).

Table 7 – Expert risk assessment

№	Risks	bec	Expert risk analysis			Integrated assessment		
			A	B	C	A	B	C
1	2	3	4	5	6	7	8	9
1	Decrease in demand for the products of the project	0,3	50	65	80	15	19,5	24
2	Competitiveness of products	0,25	70	80	90	17,5	20	22,5
3	Price changes of products (flour, sugar, vanilla, yeast, etc..)	0,2	80	70	50	16	14	10
4	The technical equipment of shops	0,15	75	70	50	11,25	10,5	7,5
5	The operational risks (related to personnel)	0,1	80	70	30	8	7	3
	Sum					67,75	71	67

Thus, the less risky project is project C, i.e. confectionery shop «fairy Tale».

The method of creating the decision tree allows defining and estimating alternative decisions, to calculate result of the project.

At creation of a tree of decisions it is necessary to know:

Points of adoption of decisions – time moments when there is a choice of alternatives.

Point of a random event – the moment of time when a random event occurs with one or another result.

Branches are the lines connecting points of adoption of decisions to points of a random event. The branches proceeding from a point of adoption of decisions show possible decisions, and the lines a proceeding from knots of random events represent possible results of a random event.

Probabilities are the numerical values located on branches of a tree and designating probability of approach of these events. The sum of probabilities is equal in each point of adoption of decisions to 1.

The expected value (consequences) is located in the end of a branch and is the quantitative expression of each alternative.

The decision tree is constructed left to right and begins with the decision which needs to be accepted. This decision is displayed in the form of a square. From the square draw the quantity of branches equal to number of alternative decisions. At the end of each branch, draw a circle, indicating the occurrence of a permissible random event, from which the branches come out – the possible results of a probabilistic event.

Conclusion

In the process of implementing the project there may be various risks. The main goal of the project is successful completion of the project and receiving maximum profit. In this regard, it is necessary to determine the risks of the project and reduce their degree. This article describes the methods of project risk management. The following results were obtained:

1. Definitions of the concept “risk”, “risk management”, “project risk management” are given.
2. Factors of emergence of risk are defined
3. The features of qualitative and quantitative analysis of project risks are determined
4. Disclosed is a method of identifying and evaluating the risks of the project.

5. The expert analysis of risks is considered
6. The method of decision tree construction is considered

Thus, in the process of project management, these methods can be used and thereby reduce the degree of project risks.

References

- 1 Bakker K., (2011) Dialogue on risk: effects of project risk management on project success. , Netherlands. Groningen: University of Groningen, SOM research school p 209.
- 2 Didraga O. (2013) The Role and the Effects of Risk Management in IT Projects Success //InformaticaEconomică vol. 17, no. 1/2013, pp. 86-98.
- 3 Dyer R. (2017) Cultural sense-making integration into risk mitigation strategies towards megaproject success., International Journal of Project Management 35, pp. 1338–1349, 1341.
- 4 Gurov V. (2012) Upravleniye proyektymiriskami v protsesse biznes-planirovaniya. [Project risk management in the process of business planning]. Vestnik RGGU. Seriya Ekonomika. Upravleniye. Pravo. 2012, pp. 203-211.
- 5 Henrique L., António J. (2014) The project risk management process, a preliminary study. Procedia Technology 16, pp. 943 – 949.
- 6 ISO. MEK 31010:2009 Menedzhmentriski. Metodyotsenkiriska [ISO/IEC 31010:2009, Risk management. Risk assessment techniques].
- 7 Ivanov A., Oleynikov S., Bocharov S. (2008) Risk-menedzhment [Risk management]. Moscow, 2008, p. 193.
- 8 Ivanov S. (2016) PROBLEMY I PRINTSIPIY IDENTIFIKATSII RISKI. [PROBLEMS AND PRINCIPLES OF RISK IDENTIFICATION]. Mezhdunarodnyy nauchno-issledovatel'skiy zhurnal, ekonomicheskoye nauki. Januar, pp 42-43.
- 9 Koshelevskiy I. (2012) Obzor metodov upravleniya proyektnymi riskami [Tekst] // Problemy sovremennoy ekonomiki: materialy II Mezhdunar. nauch. konf. (g. Chelyabinsk, oktyabr' 2012 g.). [Review of methods for managing project risks [Text] // Problems of modern economy: materials II Intern. sci. Conf. (Chelyabinsk, October 2012)] Chelyabinsk: Dvakomsomol'tsa, 2012. pp. 164-166. URL: <https://moluch.ru/conf/econ/archive/56/2746/> (reference date: 02.02.2018).
- 10 Kupeshova S., Lazanyuk I., Kareke G. (2016) Risk Management in the Innovation Project. Eurasian Journal of Social Sciences and Humanities, №1, pp. 9-12.
- 11 Kutsch E., Hall M. (2009) The rational choice of not applying project risk management in information technology projects, Project Management Journal, 40 (3), pp. 72–81.
- 12 Kutsch E., Hall M. (2010) Deliberate ignorance in project risk management International Journal of Project Management .Volume 28, Issue 3, pp. 245-255.
- 13 Liu J., Jin F., Xie Q., Skitmore M. (2017) Improving risk assessment in financial feasibility of international engineering projects: A risk driver perspective. International Journal of Project Management 35, pp. 204–211, 204.
- 14 Lobanova A., Chugunova A. (2007) Entsiklopediya finansovogo risk-menedzhmenta [Encyclopedia of financial risk management] 3rd edition. Moscow, Alpina Business Books, p. 878.
- 15 Marcelino-Sádaba S., Pérez-Ezcurdia A., Angel M., Villanueva P. (2014) Project risk management methodology for small firms. International Journal of Project Management 32, pp. 327-340.
- 16 Marziana L., Verner M. (August 2012) Analysis and application of an outsourcing risk framework. Journal of Systems and Software, Volume 85, Issue 8, pp. 1930-1952, 1930.
- 17 Mazur I., Shapiro V., Ol'derogge N. (2009) Upravleniye proyektami [Project management]. Moscow, Omega-L.
- 18 Mukhtapova K., Dzhulaeva A., Nupceytova G., Kupeshova C., Baybulova D. (2016) Upravlenie proektami: Uchebnik [Project management: Manual]. Almaty
- 19 Muriana C., Vizzini G. (2017) Project risk management: A deterministic quantitative technique for assessment and mitigation. International Journal of Project Management. Volume 35, Issue 3, 2017, pp. 320-340.
- 20 Otepbergen K., Nurseytova G. (2015) Tauyekeldi baskaru. [Risk management] Almaty.
- 21 Rolik Y. (2017) Risk Management in Implementing Wind Energy Project. Procedia Engineering 178, pp. 278 – 288.
- 22 Schieg M. (2006) Risk management in construction project management. Journal of Business Economics and Management, 7:2, pp. 77-83 URL: <https://doi.org/10.1080/16111699.2006.9636126>
- 23 Simon L., Hovelja T., Vavpotič D., Krisper M. (2015) Diagnosing organizational risks in software projects: Stakeholder resistance. International Journal of Project Management 33, pp. 1262–1273, 1270.
- 24 Sleptsova YU., Kachalov R. (2014) Kolichestvennaya otsenka ekonomicheskogo riska v deyatel'nosti predpriyatiya (Elektronnyy resurs) [Quantitative assessment of economic risk in the enterprise ([Electronic resource]). – URL : <http://elbib.spbstu.ru/dl/2/4670.pdf/view>.

- 25 Stewart, M., Deng, X., (2014) Climate impact risks and climate adaptation engineering for built infrastructure. ASCE-ASME J. Risk Uncertain. Eng. Syst. Part A Civil Eng. URL: <http://dx.doi.org/10.1061/AJRUA6.0000809>.
- 26 Tsamutali S.(2012) Otsenkariskovreal'nykhinvestitsiy. [Evaluation of risks of real investment]. Ekonomika. Nalogi. Pravo. number4 , pp. 32-37.
- 27 Vishnyakov Ya., Radayev N. (2007) Obshchaya teoriya riskov: uchebnoye posobiye dlya studentov vuzov [General theory of risks: a manual for university students]. Moscow: Publishing Center "Academy", p. 386.
- 28 Yim R., Castaneda J., Doole T., Tumer I., Malak R. (2015) A study of the impact of project classification on project risk indicators. International Journal of Project Management 33, pp. 863–876, 874.
- 29 Zhang Y. (2016) Selecting risk response strategies considering project risk interdependence. International Journal of Project Management 34, pp. 819–830, 820.
- 30 ZuoF., Zhang K. (2018) Selection of risk response actions with consideration of secondary risks. International Journal of Project Management 36, pp. 241–254.

INFORMATION ABOUT THE AUTHORS

Baimagambetova Z.M. – PhD, associate professor, Al-Farabi Kazakh National University, Kazakhstan, Almaty, e-mail: zula_bai@mail.ru

Gabdulina A.Zh. – Master of Law, Al-Farabi Kazakh National University, Kazakhstan, Almaty, e-mail: ainash.gabdulina@mail.ru

Lee Byong Jo – Ph.D., Inviting Professor of Al-Farabi Kazakh National University, Almaty, Kazakhstan. Email: yakutsk@hanmail.net

Ilyasova G. – PhD student of Al-Farabi Kazakh National University, Almaty, Kazakhstan.

Bekmukhametova A. – Phd, Senior Lecturer of Al-Farabi Kazakh National University, Almaty, Kazakhstan.

Dr. Farooq Ahmed Jam – Доктор PhD of International Islamic University, Islamabad, Pakistan

Sairambaeva Zh. – PhD, Ass. Professor al-Farabi Kazakh National University Almaty, Kazakhstan. Email: zhuldyz_sairam@mail.ru

Otarbaeva A. – Master of Law, Al-Farabi Kazakh National University, Kazakhstan, Almaty, e-mail: ainash.gabdulina@mail.ru

Wang Hong Wei – Harbin institute of technology, The humanities and social sciences and law school, China, Harbin, e-mail: zhao-hongrul@163.com

Sarbayeva R.E. – PhD, Al-Farabi Kazakh National University, Almaty, Kazakhstan

Barlybayeva S.Kh. – PhD, As. Professor Al-Farabi Kazakh National University, Almaty, Kazakhstan

Brown M. – Wyoming University, USA E-mail: tv.headmaster@gmail.com

Nurseytova G.B. – Candidate of Economic Sciences, Associate professor, al-Farabi Kazakh National University, Kazakhstan, Almaty, n.gulmyra@mail.ru

Zhakupbekova G.E. – Senior Lecturer, al-Farabi Kazakh National University, Kazakhstan, Almaty, e-mail: zhakupbekovasam@gmail.com

Dr. Juri Tolujew – Fraunhofer Institute for Factory Operation and Automation

Department of Logistics and Factory Systems, Germany, Magdeburg, tolujew@iff.fraunhofer.de