Regional Economy under the Prism of National Security

Raziya Ashimova

Abstract—This article is devoted to the problems of the disproportional development of regions in the Republic Kazakhstan. The threats proceeding from problem regions, make strong impact on the country’s sustainable development, therefore they are necessary to be considered at the level of national security.

Keywords—Economic development, Kazakhstan, National security regional economy.

I. INTRODUCTION

KAZAKHSTAN, with its vast territory, has regional differences in socio-economic development. They can significantly affect the functioning of the country’s economic mechanism, the economic ties, the conditions of the movement of goods, capital, labour, and in general on economic potential of the country. The backwardness of certain regions in comparison with the others leads to lower living standards, low intensity of economic activity, lowly diversified industrial structure, the reduction of scientific and technical capacity and weak social sector. These threats are serious problems to the state in ensuring economic growth, which is an issue of national security.

II. ANALYSIS OF ECONOMIC DIFFERENTIATION REGIONS OF KAZAKHSTAN

The regions of Kazakhstan's economy can be described as follows [1]:

1. Atyrau, Mangistau, West Kazakhstan, Aktobe and Kyzylorda region can be defined as a place of oil and gas resources. Their distinctive features are a high level of investment (over 50% of all investments in the country), mono-oriented economy and underdeveloped manufacturing and agricultural sectors. Other typical features can be seen as stagnating peripheral areas of high poverty and unemployment.

2. Kostanay region in the north of Zhambyl and South Kazakhstan can be categorized as an agro-industrial region. All three areas of specialization are more pronounced in agriculture, but different growth dynamics. However they have weak industrial base. Officially, the agricultural region accounts for 20% of Kazakhstan.

3. Industrial areas can be viewed as a wide wedge, which tapers from the east to the center. These are Pavlodar, East Kazakhstan and Karaganda regions. Typically these areas are large resources of ferrous and nonferrous metallurgy, a perspective for manufacturing sector, differentiated production and more developed provinces. According to statistics 23.3% of population is residing in industrial areas.

4. The cities of republican significance are Almaty and Astana which are consumer centers. They are characterized by high levels of income, service sector development. The turnover from them is almost half of the Republican.

The differentiation of the levels of regional economic development of Kazakhstan is characterized in Table I. It shows uneven regional economic development. While the GDP per capita in the Atyrau and Mangystau, Astana and Almaty is 1.5 times over the level of living standard of a middle-class Kazakhstan resident, in Almaty, Zhambyl, Kyzyl-Orda and South Kazakhstan regions it is less than a half.
The main share of the gross regional product of the country is concentrated in the same leading regions: Atyrau and Mangystau, Astana, Almaty and it is 44.4%. During the period from 2005 to 2011, the regions with the lowest share of gross regional product were statistically Akмола, Zhambyl, Kyzylorda and North-Kazakhstan region (Table II). During these years the proportion of the gross regional product of any of these areas did not even reach the level of 4.5%.

The differentiation in living standards across regions is shown in Table III. It is characterized by the unevenness of the polarization of living standards in the regions. Thus, in seven areas of medium per capita income the population is below average, including Kyzylorda in the South of Kazakhstan, North Kazakhstan they are Kostanai, Akмола, including Almaty, Zhambyl regions.

These statistics show that the residents of several regions felt the strongest price increase. The prices were changing most rapidly in Astana and Almaty between 2005 and 2011. However the prices in the Northern capital Astana increased by 155.3%, while in the Southern capital Almaty increased by 169.5%, on average, the growth of Kazakhstan prices is 149.6%. The main financial resources and the highest salaries are concentrated in these cities. Conversely, depressed rural regions have low purchasing power. Thus, the price index in the Aktoke region has increased over the same period by 140.3%, in the Kyzyl-Orda - by 143.6%. The same can be said about the inhabitants of the oil regions – in Atyrau inflation is one and a half times higher than in Astana. Agricultural South Kazakhstan stands somewhat apart, the region where the consumer price index rose by 155.7%. The inflation rate in different regions may serve as a good indicator that reflects the level of development and the investment attractiveness of the area. Traditional leaders in average annual inflation are Almaty, Astana and Atyrau. They are joined by South-Kazakhstan region. Though it is the agricultural region and there is less labor due to climate, but South Kazakhstan region differs in populous and fairly strenuous business life [2].

The violation into the reproduction process of stabilization and the foundation of regional interests have led to a problem in the stability of small towns, which are important elements of a single territorial distribution of the productive forces of the region. The main feature of the current situation is as production and a potential resource, according to the prospects, small towns can no longer solve the negative trends themselves in employment, income, social services, environment, they have no prospects for the solution of the crisis of survival and the development based on their own internal resources. They need help from the state, regional and local authorities, even the aid of international organizations. The crisis of the state increased to such a level that the local authorities, even the aid of international organizations. The crisis of the state increased to such a level that the solution to this problem has become an important challenge not only for the region but it also become an issue of national significance.

For example, Kyzylorda and the neighboring cities, the district centres being Aralsk and Kazalin are characterized by mono-structural production, with a lack of development in the labour market and market infrastructure. There are 36 100 people or 48% of the population of the district residing in the city of Aral. Preliminary calculations showed that the number of unemployed population in Aral is about 10 000 people.
analysis of the unemployed population of the city shows that
9.6 thousand of people have no job, or 89% of all is
unemployed.

<table>
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<th>2006</th>
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<th>2009</th>
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<td>33 041</td>
<td>10 962</td>
<td>1 300</td>
<td>7 502</td>
<td>15 465</td>
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* According to the Kazakhstan Agency for Statistics

Its mobile part includes young people aged between 18
and 29 years. Each year, over 2500 young people graduate
from schools and secondary schools and 41% of them are
on the labor market, where they are practically non-competitive.
On average, there are over 8300 people registered as
unemployed at the employment center [3].

The lack of employment opportunities is the main cause of
the deterioration of living standards and migration to other
areas of the republic and abroad. For example, the positive net
balance of the migration of population of Kazakhstan in the
period between 2005 and 2011 has peaked in Atyrau, Almaty
and Mangistau oblast, Almaty and Astana (Table IV). The
other regions have a negative balance. The difference between
cities and provinces is likely to increase in the future. This is
primarily due to the fact that a large flow of migrants is
directed to the centres where financial resources are
concentrated in the country, Almaty and Astana. Many people
in the region have moved to Almaty, which has a population
already close to the mark of two million inhabitants. Astana
also has a total population of one million people.

Thus, the state of the economy has extremely negative
impact on social and living standards in underdeveloped areas
and small towns. The negative trends in the industrial and
social life of these regions are generally long lasting,
persistent. This radically changes their demographic situation
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The main pain points of concern are regions with a high
unemployment rate and a substantial decline in living
standards as a result of a long recession. Unemployment
affects the level of social stability, strengthens the
stratification of society. Those people, who lost their jobs and
cannot find a job for a long time, are thrown a line down to a
lower social status which in some cases may lead to suicides.

World Health Organization experts believe that the critical
threshold of suicides is considered to be the indicators that
make up over 20 per 100 000 population. In Kazakhstan,
according to the statistics for the last decade, the number of
suicides has been 52 - 53 per 100 thousand of population. In
the list of the "depressed" regions, where most suicides were
committed, the South Kazakhstan region, Aktau, including the
North of Kazakhstan and the town of Karaganda [4] are found.

Desperate unemployed people are willing to leave their
homes in search of work and work without the legal
formalities of registration, mandatory social security
contributions, which is a breeding ground for the shadow
economy. The high level of criminalization of immigrants
in regions is characterized by the rural residents. In most cases
this is due to their low educational level, qualifications not
adapted to market economy, the lack of support and the
necessary relationships in the new environment. Having no
permanent housing and food, they even had to resort to illegal
sources of income. Getting involved in criminal organizations,
the unemployed bring serious damage to society in the form of
looting, racketeering robberies, drug trafficking, etc.

The high level of migration has led to the most pressing
issue, the importance of which increases significantly during
recovery, it is the shortage of qualified professionals, as a
town-forming unit, and a significant part of infrastructure
sectors. Even in the simple recovery of the product output
small towns will require a long time to restore the quality of
human resources, not to mention a major increase in product
quality and its competitiveness on domestic and foreign
markets, along with a significant upgrade of assortment in
these circumstances. Regional policy with regards to
problematic regions should be active and oriented towards the
provision of effective public support, creating favorable
conditions for overcoming the crisis and ensuring a minimum
Residents in large areas of southern Kazakhstan cannot receive a signal of public television stations of Kazakhstan. As a result, the southern areas of the country, bordered by Uzbekistan are open for the broadcast expansionism. Russian TV channels enjoy wide popularity in the northern, northwestern and north-eastern regions of Kazakhstan. Almost all the inhabitants of these regions get their news via Russian radio and television stations, newspapers and magazines. This influence of the neighboring states has the effect of "time bombs". As a result, entire generations of people grow up on a foreign culture, with the outlook as laid down by informational influence, forming a distorted view of the current economic policy of the state, imposed from outside. However the level of patriotism and love for the native land pledged to the citizens of our country will affect the economic prosperity of not only regional but also the whole country level in the future.

Thus, the success of economic reforms in the country will largely depend on their implementation in the regions. In order to accomplish this, it is necessary to reduce the gap in their disproportionate development, but not by reducing the level of regional leaders, but rather growing the other regions on socio-economic basis.

REFERENCES


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She is currently conducting research on the topic:"Economic security and sustainable development of the regions of the Republic of Kazakhstan".

III. CONCLUSION

We should also note that information industry influenced the development of the border regions of Kazakhstan. Thus, the residents of the southern regions of Kazakhstan, Uzbekistan are concerned about the impact of the information space of the country. They are highly concerned that they are no longer watching Uzbek channels than Kazakhstan.