

IRSTI 06.52.13

D. Zamzamkan¹, K. Moldashev¹

¹Suleyman Demirel University

Almaty, Kazakhstan

REGIONAL INTEGRATION IN A GLOBALIZATION CONTEXT

Abstract: This article discusses about the Regional integration in a globalization context. Regional integration is often viewed as a way to support development and economic growth in developing countries through the related with it benefits to trade and welfare. Proper attention was paid to the etymology of the theory “regional integration” in economical and political objectives. Tried to explain the importance of regional integration. In addition, examines levels of integration, gives characteristics to each of them. By graph explains the level of them. Also, was explained relationship and difference between regional integration and globalization. The paper describes the main characteristics and phases of this worldwide actual and successful unification of the integrity process.

Key words: regional integration, globalization, unification, economical union, political union, macroeconomic, microeconomic.

Аңдатпа. Бұл мақалада Жаһандану контексіндегі өңірлік интеграция туралы баяндалады. Өңірлік интеграция көбінесе, дамушы елдер арасында сауда-саттық жасау арқылы тек экономикалық жағдайын жақсарту үшін ғана есем, сонымен қатар әлеуметтік жағдайын көтері үшін қарастырылады. «Өңірлік интеграция» теориясының экономикалық және саяси жағынан тигізетін әсері толықтай талқыланған және бұл теорияның маңыздылығы ашылған. Осыған қоса, интеграция процесінің әр деңгейін графиктерге сала арқылы көрсетіп, толықтай талқылама жасалынған. Бүкіләлемдік интеграция бірлестіктері мысал ретінде көрсетіліп, бұл процесінің болашақта әр дамушы елдерге деген тигізер әсері айтылған. Сонымен қатар, жаһандану мен өңірлік интеграция бағыттарының ұқсастығы мен айырмашылықтары көрсетілген. Баяндамада осы маңызды және табысты интеграциялық процесінің басты бағыттары мен фазаларын толықтай ашып айтылған.

Кілт сөздер: өңірлік интеграция, жаһандану, бірігу, экономикалық бірлестік, саяси бірлестік, микроэкономика, макроэкономика.

Аннотация. В этой статье рассматривается суть региональной интеграции в контексте глобализации. Должное внимание было уделено основной теории «региональной интеграции» в экономических и

политических целях. В виде таблицы показан уровень каждой ступени интеграции и дана характеристика. Объясняется важность интеграции для экономики стран-участников. Определена связь и различие между региональной интеграцией и глобализацией. Вопрос об интеграции является одним из ключевых вопросов о том, какие перемены происходят в современном мире, какие тенденции открываются в экономической, социально-политической и других сферах человеческого бытия. Четко дан анализ положительных и негативных влияний теории для экономической и политической направленности. В статье описываются основные характеристики и этапы этого всемирно значимого и успешного вида процесса целостности.

Ключевые слова: региональная интеграция, глобализация, объединение, экономическое объединение, политическое объединение, макроэкономика, микроэкономика.

One of the key processes of the world economy in XXI century is a progressing globalization.

Attitude to globalization as specialists and all the inhabitants of our planet vary ambiguous sometimes diametrically opposite. This is related to different points of view on the consequences of globalization processes; where one part of people sees a serious threat to the world economic system, while another part of people see means of further economic progress. Undoubtedly, effects of globalization can give positive and also negative characteristics, but there is no alternative.

In a simple word, globalization is a process during the course of which the world is transformed into a unified system. Globalization is a relevant topic for though, the discussion about it has not yet stopped, but on the contrary increased. Globalization implies integration economics, culture, politics and religion spheres, but the most sensational – globalization of the economy.

Unification of spaces in one zone and unlimited movements in its information resources, capital, labor, goods and services, development, strengthening and interaction of social institutions – it is the world economic globalization.

Globalization also has advantages and disadvantages (Table 1) [1] .

Table 1

Globalization – is strengthening of integration connection between different people and states
--

<p>Advantages:</p> <ul style="list-style-type: none"> • Leads to development of economics; • Provides greater tolerance; • Implements a modern technology to improve production capacity. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Not always focused of development of domestic productions; • Dictates rules which more favorable rules to more developed countries; • Global problems.
--	--

There have different ideas of scientists and specialists about globalization and regional integration. One part of scientists say, that regional integration is influence to speed up globalization. Then the purpose of integration is to assist access to the weal of globalization.

It is necessary to remember that although first economic groups were established in 50th of the XX century, as massively the phenomenon it become only since at the beginning of the 90th.

And the reason of this is the beginning of 80th process of globalization which is related with the conversion of the interrelated national economies into a holistic system to a single economic organism with the production and sales structure of the global financial system and the information network “Internet”.

Famous Swedish political scientist Bjorn Hettne defines the ratio of regionalism and globalization like this: “Regionalism is one way to cope with the global transformation, since most countries lack of forces and resources in order to overcome these problems at the national level”. [2. p.5]

In general, regional integration and globalization are similar – these are links of one and same processes of internationalization of economic life and they are closely cooperate.

Regional integration – is one of the most important directions of development of the modern world. Virtually, there are no more states, which are not been involved in one or another integration associations. Increases number of integration groups and its kinds; European Union, CIS, NAFTA, APEC, ASEAN, ECOWAS. Process of integration are affected absolutely all regions of the world, starts from Europe and ending with Africa. It means that, creations of regional integration associations are reasonable. It is accompanied by a number of advantages and acquisitions for those countries that are involved in this case.

Globalization is carried out, when foreign economic relation of country are oriented to its own and neighboring regions. On the base of regionalization, international economic integration is developing. At economic integration, develops more closely and stable economic relations between states. [3]

For a start it seems necessary to point out that integration is primarily process of convergence of states.

Here we can see a question: why integration exactly within a region becomes so important for the country?

Indeed, the question of regional integration is especially relevant today. States suffer the growing impact of globalization, which blocs their ability to influence economic, financial, natural processes affects to countries and populations.

There is happening of growing interdependence of countries and it is very important not to be left out of the integration processes, so as not to be get lost in the background of growing developed countries and be able to remain competitive, and in some cases, national sovereignty.

Naturally, creating or entering into some kind of integration associations, every state in the first place aims to solve some their own problems, trying to achieve the realization of their interests. So, what kind of interest there can be?

Economical:

- Gain new market for domestic production;
- Reduce or eliminate national barriers in order to attract foreign investment;
- Be able to use cheaper resources of its partners in the integration;
- Increase the trade volume by reducing costs of transport.

And it is only some positive aspects of regional integration trends in the economy.

There also have non-economic interests. For example, regional integration allows establishing more friendly relations with neighboring countries, to build confidence between the participants, to increase cooperation in the political and social sphere, in the sphere of science, culture, the environment and security. It sets certain standards for the production of goods, labor conditions and nature conservation. Otherwise, these areas would be unaffected by individual government.

Also, regional integration helps to strengthen its international position, since union of countries – this is certainly a powerful player on the world stage then a separate state. [4]

However, to have positive results in regional integration not enough have only aspiration to cooperation. It is necessary and important to have some common features and development direction. Talking about regionalism processes permissible when block aspiring to the unification of states has certain conditions: natural geographical boundaries, regional security institutions and high levels of organized cooperation in the cultural, political, economical and military spheres, finally, the existence of common values.

States by unification, goes to the highest level, they get new high value, which will be hard to get alone. A good sample of this phenomenon is the European Union and European currency. Today, the euro is more stable and prestige in international level than the previous national currencies taken together. [5]

But integration is not always positive and is not for everyone.

According to Russian geopolitics Dergachov V.A., one of the disadvantages of regional integration is generally considered the possibility of violations of trade relations with other not member countries. [6]

The main disadvantage of integration is partial loss of national sovereignty. When the level of integration increases, the country is forced to make concessions on the issue of its independence.

If states refuse to move to a new, high level of integration, of course, the latter accepts the negative trends that have hindered further development. [7]

Developments of integration processes in the world have two ways:

- Macro level
- Micro level (enterprise, firm, corporation and etc.)

Grade of integration consists of seven steps:

- Free Trading Area
- Customs Union
- Common Market
- Economic Union
- Political Union

They are differing by degree in unification of economical politics. The highest is completed economic integration of polity. (Table 2) [8]

Table 2

Economic Integration	
High ↑ ↓ Low	Political Union
	Economic Union
	Common Market
	Customs Union
	Free Trading Area

Free Trading Area is the type of international integration when member countries are reduce custom duties, taxes and fees.

Customs Union is agreement between two or more countries to cancel custom duties on trade between them. Customs Union is also provides formation of “Common Customs Territory”.

Common Market is the form of economical integration of states which allows free movement of goods, works and services, and also to factors of production – capital, labor resources – across the borders who are members of common market.

Economic Union is one kind of economical integration of states with following characteristics:

- Abolition of customs duties on trading between member states
- The existence of agreements of free movement of goods, works and services
- The existence of agreement on harmonization of fiscal and monetary policy

Political Union is full political and economical integration of two or more countries, which allows to move and to develop like integrally formed. For example, we can say about the USA in result of integration 13 countries.

Here it is possible to identify the main results of regional integration:

- Synchronization processes of economic and social development of countries, rapprochement macroeconomic indicators of economic development;
- Growth of GDP and productivity labor;
- Increase the scale of production and reducing costs;
- Formation of regional trade markets. [9. p.3]

Today all states in the world involved to integration process.

The simple conclusion is that the Integration strengthens position of developing countries. Developing countries are interested in integration because cooperation helps them to use the benefits of industrial specialization and opens them access to natural wealth and to other economical resources.

Integration unification of developing states is operating for the sake of common goals with varying degrees of efficiency. Integrated countries protect their interests in relation with strong partners, to conform that individually can none of the States.

References:

- 1 Глобализация плюсы и минусы, что такое глобализация? Глобализация простыми словами [Электрон. ресурс]. – 2017. – URL: <http://estplusi.ru/kategorii/dengi/item/105-globalizatsiya-plyusy-i-minusy.html>
- 2 Hettne B. Globalism the New Regionalism and East Asia // Selected Papers Delivered at the United Nations University Global Seminar. – 02-06.09.1996. – P. 5
- 3 Тимошенко И.И. Региональная интеграция как направление глобализации / И.И.Тимошенко. – Беларусь: Гомельский государственный технический университет имени П. О. Сухого, 2007. – 126 с.
- 4 Стрежнева М. Интеграция и вовлечение как инструменты глобального управления // Журнал Международные процессы. – 2005. – №2(29). – С. 17-28

5 Beeson M. Regionalism and Globalization in East Asia: Politics, Security, Economic Development / M. Beeson. – New York: Palgrave Macmillan, 2007. – 336 p.

6 Дергачев В.А. Регионалистика: монография [Электрон. ресурс]. – 2008. – URL: // <http://dergachev.ru/book-7/01-2.html> (дата обращения: 07.01.2017)

7 Оспанова А.Н., Исабекова М. Региональная интеграция: плюсы и минусы // Вестн. ЕНУ им. Гумилева. Сер. Полит. – 2012. – №3 – 4 с.

8 Энциклопедия Википедия [Электрон. ресурс]. https://en.wikipedia.org/wiki/Economic_integration (дата обращения: 09.01.2017)

9 Бельянинов А. Региональная интеграция в условиях глобализации // журнал «Обозреватель–Observer» – 2013 г. – №2 (277) – С. 42-57.