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Economic security of agricultural producers in the EAEU

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Abstract. The study of economic security in the context of the intensification of integration processes is relevant in modern conditions, due to the openness of the economic system and its integration into the world economy. Considering integrated associations, such as EAEU, SCO, BRICS, etc., one can talk about the supranational level of economic security. The purpose of the study is to substantiate the theoretical provisions for the formation of a mechanism to ensure the economic security of agricultural producers operating in the EAEU. It was proposed to take into account the priority in supplying the missing types of agricultural raw materials and food to the EAEU partner countries, taking into account their production specialization, which would improve their food security.

1. Introduction

Economic security is a state of the economic system in which it develops dynamically, efficiently and has a social orientation, since the system is characterized by a set of elements and the nature of the relationships between them.

The creation of a single economic space in 2009 and then of the Eurasian Economic Union [1, 7-9], was due to the prerequisites of a political, socio-economic, historical and territorial-geographical nature (Table 1).

Table 1. Reasons for the integration of EAEU member countries.

Common causes	Private reasons for participating countries
<ul style="list-style-type: none"> - The creation of a full-fledged partner for cooperation with the EU, the formation of its own policies of supplier countries - Taking advantage of the economies of states, increasing their development potential; - The need to create a common market for the free movement of goods, services, capital, labor and the inflow of additional investments; 	<p style="text-align: center;">For Russia:</p> <ul style="list-style-type: none"> - Access to the sales market of non-primary goods (up to 20% of non-primary exports to Kazakhstan); - Transit through the territories of Kazakhstan and Belarus.
	<p style="text-align: center;">For Kazakhstan:</p> <ul style="list-style-type: none"> - Transit of its exports through Russia at Russian domestic tariffs; - Expanding the market for their products; - Strengthening leadership in the Central Asian region as a counterweight to the influence of China.
	<p style="text-align: center;">For Belarus:</p>



<ul style="list-style-type: none"> - Reduction of potential risks associated with the peculiarities of production, technical and economic development of countries; - Dependence of Russia and Kazakhstan on commodity prices, budget problems due to changes in oil prices; - Introduction of economic sanctions that adversely affect the economic security of Russia. 	<hr/> <ul style="list-style-type: none"> - Income from the transit of Russian and Kazakhstan exports, - Supply of hydrocarbons and raw materials at prices lower than the world without customs duties. <hr/> <p style="text-align: center;">For Armenia:</p> <ul style="list-style-type: none"> - Economically dependent on the Russian Federation, since there is no common border with the EAEU; - Strengthening the security of the country, upholding its national interests, expanding existing and conquering new markets. <hr/> <p style="text-align: center;">For Kyrgyzstan:</p> <ul style="list-style-type: none"> - A measure of economic salvation as the country balances between integrity and decay. <hr/>
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Considering integrated associations (such as EAEU, SCO, BRICS, etc.), one can talk about the supranational level of economic security. As noted in [2], the optimal ratio of nationality and supranationality is the key to achieving the goals of an interstate economic association.

2. Methods

Traditional methods of scientific knowledge were used: monographic, abstract-logical, computational-constructive, economic-mathematical, economic-statistical, graphic and other research methods.

3. Results and Discussions

We give the following definition of economic security of integrated formation: a set of conditions and factors ensuring the priority of independence of an integrated association of countries from the world market based on domestic resources, its stability and sustainability, the ability to continuously update and improve itself in order to strengthen the national economy of integrated formation ensuring their development.

The safety of agricultural producers in the conditions of the EAEU is the security of the organization and agricultural producers operating in conditions of integration in the agrifood markets of the allied countries.

The emergence of threats to the further development of the EAEU is due to changes in the geopolitical situation in the world, the actions of individual states in the areas of strategic interests or in relation to the participating countries.

Among such threats can be identified: the military-political crisis in Ukraine and Nagorno-Karabakh; terrorist activities; the growth of pests and pathogens in the course of increased migration of the population, the development of trade and economic relations; sanctions against Russia of individual EU countries and the USA; restriction of trade and economic interaction due to the devaluation of the currencies of the EAEU and the lack of a coordinated policy between the regulators of the participating countries; orientation of individual states of the post-Soviet space (Georgia, Ukraine, etc.) towards integration with the EU, etc.

To maintain the balance and security of the EAEU as a system, activities that do not disturb its existing balance, as well as the use of certain measures aimed at preserving its integrity and stability, are necessary.

The experts of the World Economic Forum in their new report on global risks for 2018 identified groups of economic, environmental, geopolitical, social, technological risks [3], including overestimation of assets, deflation, failures in the financial system, excessive debt burden, structural unemployment, etc.

The level of economic security was assessed by us using indicators of the international rating of the countries belonging to the EAEU. The indices characterize the macroeconomic parameters of the

economic security of agricultural producers – doing business, level of innovation, globalization, etc. Directly related to agricultural production is the food safety index, which takes into account the three main groups of indicators of food security in the world: the level of availability and consumption of food; availability and sufficiency of food; level of quality and food safety [4, 10]. For the EAEU countries in 2016, the index was: Russia on the 43rd place (63.8 points); Belarus on the 44th place (63 points), and Kazakhstan on the 56th place (56 points).

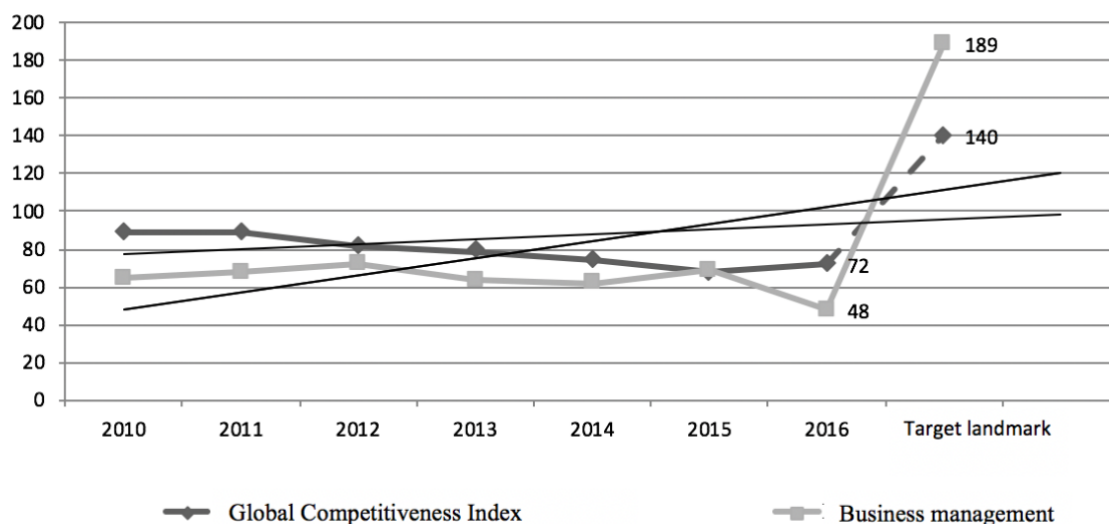


Figure 1. Dynamics of development indices of the EAEU countries and targets.

A further increase in the food security index is associated with an increase in agricultural production due to the diversity of climatic zones in the EAEU member countries, high overall freshwater availability (except Kazakhstan), large areas of agricultural land and a significant reserve, low intensity of agricultural activity, and also the possibilities of competitive production of mineral fertilizers due to the rich raw material base (Russia, Kazakhstan) [6].

4. Conclusions

It is advisable within the framework of the EAEU to take into account the priority in the supply of the missing types of agricultural raw materials and food to the EAEU partner countries, taking into account their production specialization, which will improve their food security.

To develop the export potential of the agro-industrial complex of the EAEU member states, joint measures are needed to support the export of food products and agricultural raw materials in general and by type; elaboration of country and sectoral priorities for the development of agricultural exports; identification of possible threats when trading with third countries; removing barriers in mutual trade of agricultural products of the Member States of the Union.

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