

Al-Ghazali Amin Saif

Central Ukrainian National Technical University
Kropyvnytskyi, Ukraine

REGULATION OF INTERNATIONAL TRADE ALLIANCES

With the development of world trade, the issue of state participation in this process became increasingly relevant. Today, two concepts of state relations to world trade have been formed and are being implemented: protectionism and free trade.

The essence of protectionism is as follows: in the interests of its own national production, the state actively regulates foreign trade, in every way encouraging exports and restricting imports.

During the industrial revolution, the concept of free trade was widely spread - free trade, according to which the state pursues a policy of liberalization of foreign trade, opening the domestic market for foreign goods, capital and labor.

In real life, the state in its foreign trade policy is forced to create both elements. The state should not only proclaim the concept of its policy in foreign trade, but also really implement measures for its implementation, using various tools. As a rule, they are divided into two groups.

The first group is customs duties (tariffs). These are the traditional and most actively used means of state regulation of foreign trade: import (fiscal and protectionist), export and transit duties.

The second group of instruments of state regulation is non-tariff restrictions (non-tariff barriers). These include: an administrative ban on imports; quantitative restrictions (quotas); the introduction of standards of health, safety, environmental friendliness, the establishment of the minimum price level; introduction of rules for packaging and labeling; etc.

The high importance of international trade for the development of the world economy has led to the creation by the world community of special international regulatory organizations whose efforts are aimed at developing rules, principles, procedures for the implementation of international trade transactions and monitoring their implementation by member states of these organizations. A special role in the regulation of international trade is played by multilateral agreements operating within the framework of: GATT (General Agreement on Tariffs and Trade); WTO (World Trade Organization); GATS (General Agreement on Trade in Services); TRIPS (Agreement on Trade-related Aspects of Intellectual Property Rights).

In accordance with the fundamental provisions of the GATT, trade between countries should be based on the principle of the most favored nation, i.e., most favored nation treatment is established in the trade of GATT member countries, guaranteeing equality and non-discrimination. However, at the same time, exceptions to the NSS were established for countries included in economic integration groups; for countries, former colonies that are in traditional relations with the former metropolises; for cross-border and coastal trade. According to the most rough

estimates, the "exceptions" account for at least 60% of world trade in finished products, which deprives the TNK of universality. The GATT recognizes as the only acceptable means of regulating international trade, customs tariffs that iteratively (from round to round) are reduced. Currently, their average level is 3-5%. But there are exceptions to the use of non-tariff means of protection (quotas, export and import licenses, tax incentives). These include cases of application of agricultural production regulation programs, violation of the balance of payments, implementation of regional development and assistance programs. The GATT contains the principle of refusal of unilateral actions and decision-making in favor of negotiations and consultations, if such actions (decisions) can lead to restriction of freedom of trade.

The GATT, the forerunner of the WTO, made its decisions in the negotiation rounds of all members of this Agreement. In total, eight of them passed. The most significant decisions by which the WTO is guided in the regulation of international trade of the present time were made at the last (eighth) Uruguay round (1986-1994). This round has further expanded the range of issues regulated by the WTO. It included trade in services, as well as a program to reduce customs duties, intensify efforts to regulate international trade in products of certain industries (including agriculture) and strengthen control over those areas of national economic policy that affect the country's foreign trade.

The WTO is not within the scope of the UN. This allows her to pursue her own independent policy and control over the activities of member countries to comply with the adopted agreements. The WTO is based on the GATT (GATT-1994), GATS and TRIPS.

Certain specifics differ in the regulation of international trade in services. This is due to the fact that services, characterized by an extreme variety of forms and contents, do not form a single market that would have common features. But it is characterized by general trends that make it possible to regulate it at the global level, even taking into account new moments in its development, which are introduced by TNCs that dominate it and monopolize it. Currently, the global services market is regulated at four levels: international (global), industry (global), regional and national.

General regulation at the global level is carried out within the framework of the GATS, which entered into force on January 1, 1995. It regulates the same rules that were developed by the GATT in relation to goods: non-discrimination, national treatment, transparency (transparency and unity of reading the laws), non-application of national laws to the detriment of foreign manufacturers. However, the implementation of these rules is hampered by the features of services as a commodity: the absence of the real form of most of them, coincidence of the time of production and consumption of services. The latter means that regulating the terms of trade in services means regulating the conditions for their production, and this in turn means regulating the conditions for investing in their production.

The GATS includes three parts: a framework agreement defining general principles and rules for regulating trade in services; special agreements acceptable to

individual service industries, and a list of obligations of national governments to eliminate restrictions on service industries. That is, only one, regional level falls out of the GATS field of activity. The agreement is aimed at liberalization of trade in services and covers the following types: services in the field of telecommunications, finance and transport. The issues of export sale of films and television programs are excluded from his sphere of activity, which is connected with the fears of certain European states to lose the identity of their national culture.

Sectoral regulation of international trade in services is also carried out on a global scale, which is associated with their global production and consumption. In contrast to the GATS, organizations that regulate such services are specialized in nature. For example, civil aviation is regulated by the Organization of International Civil Aviation (ICAO), foreign tourism is regulated by the World Tourism Organization (WTO), and shipping is regulated by the International Maritime Organization (IMO).

The regional level of international trade in services is regulated within the framework of economic integration groups, which remove restrictions on mutual trade in services (for example, in the EU) and may impose restrictions on such trade with third countries.

A regional trade bloc (RTB) is a cooperative union or group of countries within a specific geographic boundary. RTB protects its member states in this region from imports from non-member countries. Trading blocks are a special type of economic integration. There are four types of RTB:

- the preferential trade zone (PTA), the first step towards the creation of a full-fledged RTB, exists when countries of a certain geographic region agree to lower or cancel tariffs on certain goods and services imported from other members of the zone;

- free trade zones (FTAs) are similar to PTAs, but in FTAs, participating countries agree to remove or reduce trade barriers for all goods coming from participating members;

- the customs union does not have tariff barriers between members, plus they agree to a single (unified) external tariff against non-members. In fact, members are allowed to negotiate as a unit with third parties, including other trading units, or with the WTO;

- common market – exceptional economic integration. Member countries freely trade all kinds of economic resources, not just tangible goods. All barriers to trade in goods, services, capital and labor have been removed in common markets. In addition to tariffs, non-tariff barriers are also reduced or removed in common markets.

The composition of the nine largest international RTBs:

1. European Union (EU) – Austria, Germany, United Kingdom, Italy, Ireland, France, Spain, Portugal, Finland, Sweden, Denmark, Belgium, Luxembourg, Netherlands, Greece. May 1, 2004 the EU entered: Hungary, Cyprus, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia, Czech Republic, Estonia. January 1, 2007 the EU joined: Bulgaria, Romania.

2. North American Free Trade Agreement (NAFTA) – USA, Canada, Mexico.
3. European FTA (EFTA) – Iceland, Norway, Switzerland, Liechtenstein.
4. Asia-Pacific Economic Cooperation (APEC) – Australia, Brunei, Malaysia, Singapore, Thailand, New Zealand, Papua New Guinea, Indonesia, Philippines, Taiwan, Hong Kong, Japan, South Korea, China, Canada, USA, Mexico, Chile, Peru, Russia, Vietnam.
5. MERCOSUR – Brazil, Argentina, Paraguay, Uruguay, Venezuela (the accession process has been started since July 2006, while so far the parliaments of not all members of the union have agreed to accept Venezuela as members), as associate members - Chile, Bolivia, Colombia, Ecuador and Peru. Consultations are also being held on expanding cooperation with Cuba.
6. Southern African Development Community (SADC) – South Africa, Botswana, Lesotho, Swaziland, Namibia, Zimbabwe, Angola, Mozambique, Malawi, Madagascar, Tanzania, Zambia, Mauritius, Democratic Republic of the Congo.
7. West African Economic and Monetary Union (UEMOA) – Côte d'Ivoire, Burkina Faso, Nigeria, Togo, Senegal, Benin, Mali, Guinea-Bissau.
8. South Asian Association for Regional Cooperation (SAARC) – India, Pakistan, Sri Lanka, Bangladesh, Maldives, Bhutan, Nepal, Afghanistan (since April 2007).
9. Andean Pact – Colombia, Ecuador, Peru, Bolivia, Venezuela (withdrew from the community on April 22, 2011).

The benefits of RTB are as follows: (a) foreign direct investment is growing in RTB, which benefits the economies of the participating countries; (b) economies of scale – the creation of larger markets leads to lower costs due to mass production of products on the ground, which creates the effect of scale; (c) competition – trade blocks bring together manufacturers from different countries, which leads to increased competition. Competition promotes efficiency within firms; (d) trade impact – as tariffs move away, the value of imports decreases, demand rises; (e) market efficiency – increasing consumption, changing demand and increasing the number of products lead to increased market efficiency.

RTB disadvantages: (a) regionalism. Trading blocs tend to favor their member countries. These countries set tariffs and quotas that protect intra-regional trade from external forces. Instead of following the WTO, the countries of the regional trade bloc participate in regionalism; (b) loss of sovereignty. RTB, especially when it becomes a political union, leads to a partial loss of sovereignty of member countries; (c) concessions. RTB countries want to allow non-member firms to gain access to the domestic market only after taxes have been levied. Countries that join RTB must make some concessions; (d) interdependence. The block countries become interdependent from each other. A natural disaster, conflict or revolution in one country can have a negative impact on the economies of all participants.

The formation of a free trade zone does not make fundamental changes in the world economy. The activation of such processes, on the one hand, contributes to the development of international trade (within the framework of zones, blocs, regions), and on the other hand, creates a number of obstacles for it, which are more/less characteristic of closed formation.

Grouping countries into economic blocs does not mean unconditional progress in implementing the ideas of free trade or surrender to protectionist principles. The dilemma of free trade or protectionism does not cease to exist. It is transferred to a different level of foreign trade relations, which determines the decision on the choice of economic policy of a group of states in relation to third countries. It is characteristic that even within the framework of individual trade and economic groupings, contradictions arise between some countries, which develop into so-called “trade wars”.

By the end of the 90s, there is a transition from “trade wars” to foreign economic ones. First of all, this refers to the desire to control the key sectors of the economy of a country by exporting goods to the infrastructure prepared for this. And as a result – the threat of their “rejection” or the subsequent increase in the export of related goods and objects. The final step is a “credit blow”, transfer of national income, and others. Global system of the world market there are still many obstacles and contradictions of interests that will arise during the interaction of individual countries and trade and economic groups with each other.

The member countries of the trade and economic blocs, understanding the complexity and inconsistency of the current situation on the world market, seek to find ways to positively resolve existing problems and contradictions. Regional trade groups, according to the WTO, weaken the mechanisms for regulating international trade agreed upon within its framework and impede global economic integration. In this regard, the WTO advocates the adoption of a single set of rules governing the conditions for the creation of trade blocks. So, the trade policy of participants in trade blocs should be compatible with WTO rules, and agreements should be open for accession by other countries. It is anticipated that the creation of a global FTA can be achieved by 2030.

Коряк О. М., аспірантка
Центральноукраїнський національний технічний університет
м. Кропивницький, Україна

ДЕРЖАВНІ ЗАКУПІВЛІ ЯК РЕГУЛЯТОР РОЗВИТКУ ЕКОНОМІКИ

Значна кількість публікацій, що має місце стосовно державних закупівель стосується їх ролі в системі макроекономічного регулювання та в реалізації фінансових механізмів, також розлого досліджуються зловживання в системі правового забезпечення державних закупівель. При цьому недостатньо дослідженим залишається роль державного сектора та прямих державних витрат у осучасненні зовнішніх та внутрішніх ознак сучасної України.

Метою нашого дослідження є повноформатне розкриття ролі державних закупівель у системі національної економіки та сучасної країни з урахуванням сучасного соціально-економічного і геополітичного стану України.

Сучасний економічний стан України характеризується такими чотирма визначальними рисами: