

**REPORTS OF THE NATIONAL ACADEMY OF SCIENCES
OF THE REPUBLIC OF KAZAKHSTAN**

ISSN 2224-5227

<https://doi.org/10.32014/2019.2518-1483.53>

Volume 2, Number 324 (2019), 155 – 159

UDC338.24

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sabirovar68@gmail.com, Dzhumaeva.a@mail.ru, g.makasheva@bk.ru**ECONOMIC AND ADMINISTRATIVE LEVERS OF REGULATION
OF ENTREPRENEURSHIP IN THE REPUBLIC OF KAZAKHSTAN**

Abstract. A market economy without a legal framework that establishes and enforces respect for property rights and the “rules of the game”, our free enterprise system could not exist. However, most people are not aware of the impact of the regulations or the process by which they are produced.

We need the rules for the proper functioning of the economy and society, as they support the markets, protect the rights and safety of citizens and ensure the delivery of public goods and services. Companies complain that red tape hinders competitiveness, and citizens complain about the time it takes to fill out government documents. In addition, the development and enforcement of regulations also require resources for government and state administrations. Regulations may also have unintended costs when they become obsolete or incompatible with the achievement of policy objectives.

Keywords: economics, law, business, regulation, leverage, management, support.

INTRODUCTION

The goal of state regulation is to ensure the implementation and protection of public interests, such as the defense and security of the state, the protection of human and civil rights and freedoms, and the protection of the environment. Without government intervention in the economy, it is impossible to guarantee the rights and freedoms of a person and citizen, enshrined in the Constitution of Kazakhstan.

V. V. Laptev and S. S. Zankovsky emphasize that government regulation is a combination of measures of economic, legal and organizational impact on the economy, including through state support and protection of business entities, as well as state control over compliance with the requirements of legislation by subjects such activities [1, p.343].

Other approaches to the definition of the concept of state regulation of business activities also deserve attention. For example, EP Gubin defines state regulation as the activity of the state in the person of its bodies, aimed at implementing state economic policy using special means, forms and methods [2, p.397].

As S.P.Moroz notes, tax regulation of business relations is manifested simultaneously as the state's activities to ensure the completeness of tax revenues and other mandatory payments to the budget, and the state's activities to provide various benefits and preferences for sustainable economic growth [3, p.87].

MAINPART

State regulation of business activities in the Republic of Kazakhstan is carried out through the following main forms:

- 1) economic (tax regulation, customs regulation and currency regulation);
- 2) organizational (accounting of business entities, licensing, technical regulation, consumer protection, etc.);
- 3) legal (publication of regulatory legal acts regulating entrepreneurial activity).

State regulation of economic and social activities permeates our lives. While regulation in many cases brings important public goods, the rules are often imposed on individuals and organizations that think or analyze too little of what is obtained in comparison with losses incurred in time, money, indecision and productivity ... Further, the growth of state involvement in the market system sometimes limits our ability to achieve fundamental economic and social goals. The government enforces the laws — these are specific standards or regulations regarding what individuals, businesses, and other organizations can or cannot do.

The state performs its regulatory functions through administrative and economic methods. The command economy is characterized by a predominance of administrative methods of regulation. The system of state regulation of a market economy, by contrast, is based on the use of economic methods.

Administrative, or direct, methods of regulation limit the freedom of choice of an economic entity. For example, directive planning targets for the volume and range of products manufactured or centrally set prices for goods and services — typical administrative regulation methods in a planned economy — deprive an enterprise of the alternative use of resources. In contrast, economic and indirect methods of state regulation do not restrict the freedom of entrepreneurial choice. For example, reducing taxes on a business or, say, lowering the discount interest rate are typical methods of economic regulation aimed at increasing production and enhancing the investment activity of enterprises. The latter increase investment and production, not because they have no other way out. They are completely free to choose a production program and investment policy. Simply reducing taxes and accounting interest rates make the growth of production and investments more profitable than before. The distinction between administrative and economic regulatory methods is somewhat arbitrary. In order to use any indirect regulator, you need a preliminary administrative decision of the relevant state bodies, for example, a decision to change tax rates, to provide tax benefits when the National Bank sells government bonds, in this sense any economic regulators bear the stamp of administration. At the same time, any administrative regulator, directly forcing business entities to perform certain actions, simultaneously has a secondary indirect effect on a number of related economic processes [4]. For example, an administrative increase in prices will not only directly determine their new level, but through prices will indirectly influence the state of supply and demand, and in this sense we can say that any administrative methods of regulation bear the features characteristic of economic, indirect regulators. Nevertheless, the criterion considered above makes it possible, as a rule, to distinguish in practice economic methods from administrative ones without any special problems.

The distinction between them is fundamentally important from the point of view of the nature of economic relations.

Administrative methods of regulation are diametrically opposed to the nature of the market; they block the action of the corresponding market regulators. If a company, for example, determines the volume of production and the supply of raw materials, it cannot respond to changes in market conditions by increasing or decreasing output. The higher the scope of administrative methods of regulation, the narrower the scope of distribution and the lower the effectiveness of real market relations.

Economic regulation methods, on the contrary, are adequate to the nature of the market. They directly affect market conditions and, through it, indirectly, producers and consumers of goods and services.

For example, an increase in transfer payments changes the conjuncture of the consumer goods market, increases demand, which, in turn, contributes to higher prices and forces producers to increase the volume of supply.

Economic management practices thus act through the market through market mechanisms.

The transition from a command economy to a market economy is accompanied by cardinal changes in the system of state regulation methods, the destruction of the former system of administrative methods and the creation of a new system of economic regulators.

The destruction of the system of administrative - command management methods blocking market mechanisms is a necessary condition for the formation and self - development of the market. Dismantling the system of administrative regulators marks the beginning of a real transformation towards a market economy. This does not mean, however, a complete rejection of the use of administrative methods in a transition economy [5].

In order to reduce the scale of the crisis of production cuts, to prevent a catastrophic fall in the living standards of the population, the state in the early stages of reforms may, for example, maintain administrative control over the production and sale of a small group of goods that form the basis of the nation's production and personal consumption.

With the deepening of market reforms, stabilization of the economic situation and mastering of economic methods of regulation, the state completely reduces the scope of the use of administrative levers, while not refusing to use them completely.

Even at the final stages of transition to the market and in the conditions of the prevailing market economy, administrative methods of regulation are of no small importance. They are used, in particular, as a means of antitrust policy. Government agencies determine the prices, volume and range of products or services provided for the so-called natural monopolies, establish a system of administrative restrictions

that prevent the strengthening of market monopolization. Administrative regulation is actively used to protect consumer rights and protect the environment.

Numerous standards limiting emissions of hazardous production waste, direct bans on the use of hazardous technologies, production, sale and advertising of products harmful to human health restrict the freedom of entrepreneurship and belong to administrative regulatory methods. Often used methods of regulation of foreign economic activity, such as import quotas, etc.

The most important task of the state in transition is the creation of an integrated system of economic methods of regulation. To this end, all countries engaged in the transition to a market economy, carry out radical reforms of the credit and tax system.

A two-tier banking system, traditional for market economies, is being created, under which the Central Bank, through economic standards, regulates the activities of a wide network of commercial banks. Manipulating the discount rate, changing the form of required reserves and other standards established for commercial banks, carrying out operations with securities. The central bank is able to pursue an active monetary policy [6].

However, it would be a mistake to believe that state regulation is confined to the framework of a command or transitional economy, on the contrary, within the framework of a market economy, the regulatory role of the state is becoming more and more necessary. In the conditions of the market, the state faces a difficult task: on the one hand, it should support and facilitate the functioning of the market system with the help of economic levers, on the other hand: not to destroy this system with excessive influence. Examples of developed industrialized countries, such as the United States and France, indicate that achieving such a golden mean is possible.

In Kazakhstan, as well as in a number of other post-socialist countries, we are faced with an underestimation of the role of the state in the economy. A misunderstanding of the economic role of the state makes it difficult to develop an acceptable concept of state economic policy. It is no secret that we are carrying out reforms "from above", and there is no tragedy in this; moreover, this is the only acceptable form. Otherwise there will be confusion, anarchy, which, in the final analysis, will bring nothing but new destruction. And the role of the state is especially responsible in the historical period we are experiencing, which was called transitional. Without an active state economic policy, it is impossible to reform the economy.

The economy of Kazakhstan is experiencing an unprecedented crisis in history, where all the economic "diseases" have intertwined. The crisis has objective reasons, and therefore not a single post-socialist country has avoided it. Somewhere it turned out to be less, somewhere deeper than ours.

Some scientists are convinced that in this unprecedented crisis an important role was also played by the accelerated refusal of the post-Soviet governments from their "natural" functions. "Denationalization", declared one of the main directions of economic reform, was in itself correct, but uncritically accepted, led in the first, decisive years of reform to a complete loss of manageability of the economy, including the public sector, which was practically the only "legal" sector throughout the country.

In a modern, highly organized market economy, there are practically no areas that are somehow not regulated by the state. It is impossible to formulate in a "one-off manner" the entire spectrum of modern economic policies in relation to the market system, which we do not yet have. For our country, the question can be put on the gradual mastering of modern forms and methods of state regulation of a market economy, highlighting those "eternal" functions of the state that form the framework of the state's economic policy. With this approach, government economic policy can acquire sufficient sense of purpose, reliable guidelines [7].

State support for small business in Kazakhstan is based on republican legislation. The regions are provided with small opportunities within their competence to specify the general installations, to adapt them to the regional conditions for the functioning of small business.

At present, regions have the right to develop and adopt regional programs for the development of small business, create special funds to support it, identify and seek additional sources of financing for them. Regional authorities may also involve MPs in regional government orders. However, these powers are not enough, therefore, in the future, regional and local authorities should be given greater freedom to regulate all aspects of the MP's activities.

In our country, the role of small business is constantly and steadily increasing.

Table 1 - Tasks of entrepreneurship and guarantees in the Republic of Kazakhstan

Tasks	Guarantees
<ul style="list-style-type: none">- significantly and without significant capital investments to expand the production of many consumer goods and services using local sources of raw materials;- to create conditions for the employment of the labor force that is being released in large enterprises;- accelerate scientific and technical progress;- to make a positive alternative to the criminal business and many others.	<ul style="list-style-type: none">- unreasonable interference of government officials in the economic activity of entrepreneurs is not allowed;- inspections of the economic and financial activities of entrepreneurs are carried out by authorized state bodies no more than once a year, unless otherwise provided by the current legislation of the Republic of Kazakhstan.

According to Soviet legislation, there was only one form of enterprise - the state enterprise, which carried out almost all types of economic activity. Since the means of production were state property, other forms of economic entities simply did not exist [8].

The Law “On State Support for Small Businesses”, adopted in June 1997 by the Parliament of the country, was an important step towards the economic development of the Republic of Kazakhstan. It identified the main activities in this area and created the legal prerequisites for the development of state and regional programs with the activation of small business as one of the factors of industrial development.

This Law is consistently coordinated with the Law “On State Support of Direct Investments”, Decree of the President of the Republic of Kazakhstan “On Measures to Strengthen State Support and Activization of Small Business Development” and is their logical continuation, symbolizing a constructive dialogue between different branches of government.

On the basis of this law, the procedure for registering a legal entity in the form of a small business entity is simplified. This implies: reduction of terms and fees for registration, list of required documents, reduction of the size of the share capital [9].

The greatest benefits are provided to entrepreneurs who are engaged in production (they are given a three-year deferment of payments for the purchase of land or its rent, they are exempt from payment for registration of rights to real estate within three years from the date of state registration, etc.).

The law not only creates favorable conditions for traditional industries in Kazakhstan, but also lays the foundations for a technological breakthrough in the 21st century.

CONCLUSION

The solution of one of the main issues affecting the interests of small businesses is to “establish the legal regime of favoring for small businesses, including a preferential tax regime, payment of customs duties”. Of course, it is impossible to demand from one legislative act the solution of all urgent problems. But this Law characterizes progressive trends in legislative activity and causes a feeling of optimism among small business representatives.

Thus, the state, paying great attention to the development of small business, for the development of the economy as a whole, with the aim of protecting and supporting small business entities, establishes by law certain benefits for them. Due to the fact that further improvement of the public administration system in Kazakhstan is associated with the transfer of a number of functions of central bodies to local executive bodies, including the direct support of small business.

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ҚАЗАҚСТАН РЕСПУБЛИКАСЫНДАҒЫ КӘСІПкерліктің РЕТТЕУ ЭКОНОМИКАЛЫҚ ЖӘНЕ ӘКІМШІЛІК ТҰЛҒАЛАРЫ

Аннотация. Мүліктік құқықтарды құрметтеуді және «ойын ережесін» белгілейтін және бекітетін нормативтік база болмаған нарықтық экономика біздің еркін кәсіпкерлік жүйеміз болмайды. Дегенмен, көптеген адамдар нормативтік актілердің немесе олар шығаратын процестің әсерінен хабардар емес.

Нарықтарды қолдап, азаматтардың құқықтары мен қауіпсіздігін қорғауға және қоғамдық тауарлар мен қызметтерді жеткізуді қамтамасыз ете отырып, экономика мен қоғамның дұрыс жұмыс істеуі туралы ережелер

кажет. Компаниялар бәсекеге қабілеттіліктің бұзылуына кедергі келтіреді және азаматтар мемлекеттік құжаттарды толтыру үшін қажетті уақытқа шағымданады. Бұдан басқа, нормативтік құқықтық актілерді әзірлеу және орындау мемлекеттік органдар мен мемлекеттік әкімшіліктер үшін де ресурстардың болуын талап етеді. Нұсқаулықта сондай-ақ олар саясаттың мақсаттарына қол жеткізуге байланысты ескірген немесе үйлеспейтін болған кезде күтілмеген шығындар болуы мүмкін.

Түйін сөздер: экономика, құқық, бизнес, реттеу, левередж, басқару, қолдау.

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ЭКОНОМИЧЕСКИЕ И АДМИНИСТРАТИВНЫЕ РЫЧАГИ РЕГУЛИРОВАНИЯ ПРЕДПРИНИМАТЕЛЬСТВА В РЕСПУБЛИКЕ КАЗАХСТАН

Аннотация. Рыночная экономика без правовой базы, устанавливающей и обеспечивающей соблюдение прав собственности и «правил игры», наша система свободного предпринимательства не могли бы существовать. Тем не менее, большинство людей не осведомлены о влиянии нормативных актов или процесса, с помощью которого они производятся.

Правила нам необходимы для правильного функционирования экономики и общества, так как они поддерживают рынки, защищают права и безопасность граждан и обеспечивают доставку общественных товаров и услуг. Компании жалуются, что бюрократизм сдерживает конкурентоспособность, а граждане жалуются на время, которое требуется для заполнения правительственных документов. Кроме того, разработка и обеспечение соблюдения правил также требуют ресурсов для правительства и государственных администраций. Нормативные акты также могут иметь непреднамеренные затраты, когда они устаревают или несовместимы с достижением целей политики.

Ключевые слова: экономика, право, предпринимательство, регулирование, рычаги, управление, поддержка.

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