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ECONOMIC SECURITY OF THE REPUBLIC OF KYRGYZSTAN: THE CURRENT CONDITION AND ACTUAL PROBLEMS OF ITS SUPPORT

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In the context of ensuring the economic security of a State, justifies the need in state regulation of economic activities of private entities. On the basis of the analysis of internal threats to the economic security of the Republic of Kyrgyzstan it is being postulated that economic security is a crucial basic element, the material base of the common system of national security.

Keywords: economic security, national security, public administration of economic security, system of economic security.

After the collapse of the USSR the task of self-identification and protection of national interests arose before sovereign Kyrgyzstan. Presidential Decree of the Republic of Kyrgyzstan from August 7, 1991 № PD-253 "on Measures to Strengthen the Economic Basis of the Sovereignty of the Republic of Kyrgyzstan" was the first legal act reinforcing the legal bases for the economic security of the Republic of Kyrgyzstan. In subsequent years by the Security Council of the country has been developed and approved by the resolution of the Government of the KR dated December 19, 1996 № 606 "The Main Provisions of State Economic Security Strategy of the Kyrgyz Republic".

The Kyrgyz Republic Constitution guarantees, on the one hand, private-legal relations, when it comes to property, freedom of economic activity, on the other hand - sets the unity of a tax system. But neither of these two functions is feasible without government regulation of economic relations.

However, such a state regulation must not violate the freedom of economic activity. More precisely, such a freedom of economic activity, which in particular, does not lead to a violation of the unity of economic space through the monopolization of the areas of business activity in any territory.

According to the principal Law of the Kyrgyz Republic, the generally recognized principles and norms of international law and international treaties of the Republic of Kyrgyzstan are an integral part of the legal system of the Kyrgyz Republic.

We recall that in UN General Assembly Resolution of October 24, 1995, which sums up fifty years of the UN activity, it was recognized that “efforts to ensure peace, safety and stability throughout the world will be futile unless the economic and social needs of the people are not satisfied”. This is not a single statement, but systematically conducted principle in the cited document. For example, in paragraph 3 of the Resolution states that the commitment written in the UN Charter, which says that all members of the United Nations will take joint and separate action in cooperation with the Organization to improve the standard of living, ensuring full employment and creating conditions for economic and social progress and development, has not been implemented in full. It is emphasized that in addition to the problems of remaining unacceptably wide gap between developed and developing countries “also should be recognized specific problems of countries with economies in transition, which are determined by the twin process of their transition to democracy and a market economy”.

This document is not restricted with the definition of objectives and postulation of principles, formulates methods to achieve them, their practical implementation. It is significant, that this is methods of public law. The resolution comes from the fact of “the accelerating process of globalization and strengthening interdependence in the global economy” and offers the solution of “adopting strategic measures designed to ensure maximum benefits from these trends and to minimize their negative consequences for all countries.” The resolution makes a very important conclusion both for legal science and practice, sets the task of forming a special branch of law – the economic and social progress law, highlighting the international law in part of development. In paragraph 13 expressed imperative “to promote the progressive development of international law in the field of development, including a law that would contribute to economic and social progress”.

The basis of legal measures to ensure economic security – the principle of public-law impact on economic development, which in the Resolution receives specific content when in paragraph 8 focuses on the implementation of “national

and international measures aimed at eradicating poverty that is an ethical, social, political and economic imperative of humankind, as well as on ensuring full population employment and social integration”.

Let us recall readers that in international-legal relations and documents the categories “national” and “state” are identical and related not to ethnicity and nationality, but to the unity and the imperativeness of public law provided for by the State. Imperativeness of public law means the reality of civil rights because law enforcement on this case is made in dispute cases through the judicial and executive proceedings, and thus ensures it as current law.

The mentioned Resolution continues the constitutional tradition of such acts of international law as the International Covenant on Economic, Social and Cultural Rights (New York, December 19, 1966).

The preamble to the official text of the Covenant introduces commonly accepted principles of international law, which are an integral part of the Kyrgyz Republic legal system.

According to the constitutional provisions of the Kyrgyz Republic these principles ensure freedom not only of a lawful private-legal deed, but also the freedom of protection by public law from destitution, freedom as an actual opportunity to exercise their rights: “Participating to the present Covenant states ... recognize that according to the Universal Declaration of Human Rights the ideal of free human personality enjoying freedom from fear and destitution can only be achieved if conditions are created whereby everyone may enjoy his economic, social and cultural rights, as well as his civil and political rights”. Specificity of legal establishment the Institute of freedom in the Covenant is being developed in paragraph 2 article 11: “States participating to the present Covenant [1], recognizing the fundamental right of everyone to freedom from hunger, shall take necessary measures individually and through international cooperation, involving conducting specific programs”.

Article 11 of the Covenant establishes a specific form of a basic economic right as an actual one rather than formal-legal right of everyone to a sufficient standard of living for himself and his family, including sufficient feeding, clothing and housing, and to the continuous improvement of living conditions. States-Participants shall take appropriate measures to ensure the implementation of economic rights, while recognizing the value, in this respect, of international cooperation based on free consent.

The problem of economic security was first posed in the U.S. in the 30s. Its relevance was conditioned by the strongest global economic crisis and the need

for a rapid response to threats of this magnitude in the framework of national economy. “The Great Depression” of the late 1920s demonstrated the inadequacy of market self-regulation mechanism under the conditions of a high degree of concentration of production and the arms race. The state’s role in the distribution of GDP, the support of strategically important industries, the formation of prices and income, aggregate demand, consumption and accumulation increased substantially.

Approaches to the understanding of economic security have been changing depending on the changing political and economic concepts of public administration. For a long time there was an understanding of economic security as one of the characteristics of a global military confrontation between the socialist and capitalist systems, that is, economic security was considered as ensuring the viability of national economies in terms of war and the “cold war”. As variations of the concept existed approaches according to which economic security was treated as ensuring the survival of the country in case of natural disasters and environmental emergencies, or under the conditions of national and world crises.

In recent decades, to the notion of economic security embeds a sense as “ensuring the competitiveness of national economy and its leading industries on the global stage”. This is connected to the changes in the structure of national economies of developed countries and the need to reflect the effectiveness characteristics of their development.

In some cases, economic security is postulated as an economy state and as security for private and public persons, and as security of economic space [12, 108-125]. This approach is followed by many authors in their works, including S. Yu. Glazyev [5, 113], V. C. Zagashvili [6, 114], V. Pan’kov [11], etc.

Economic objectivism was expressed in the definition of this subject by a scientist and economist A. I. Illarionov: “Under the economic security is understood the combination of economic, political and legal conditions that ensures the long-term production of the maximum amount of economic resources per capita in the most effective way” [7, 49].

Academician L. I. Abalkin considers economic security as “a totality of conditions and factors that ensure the independence of the national economy, its stability and sustainability, the ability for constant renewal and self-improvement” [2, 5].

S. A. Afontsev defines “national economic security as the resistance of the national economic system to endogenous and exogenous shocks of economic or political origin, that manifests in its ability to neutralize the potential sources

of negative shocks and minimize losses associated with really occurred shocks” [4, 66].

Some American authors see the source of the concept of national security in the theory of national interest [13, 20].

The Russian authors who paid attention to the original character of the national security interest, however, do not follow it, and turn to the economic dominant, enriched to a certain extent with legal categories: “Economic security – synthetic category of political economy and political sciences is closely linked with the categories of economic independence and dependence, stability, and vulnerability, economic pressure, blackmail, coercion and aggression, economic sovereignty, etc.” [13, 126].

Economic security is a material basis of national security. It serves as a guarantee of sustainable and stable development of a country and its independence.

Economic security represents a state of the national economy, which can satisfy the entire totality of real, actual, economic needs of society and ensure its economic independence, a stable and sustainable development, progress, worthy and equal status in the global economy, reliable, i.e., not allowing crossing a critical limit, protection against internal and external threats and the impact of unpredictable and hardly projected factors [10, 154-156].

In our view, the economic security of the state is a state of the economy and government institutions, at which is provided the guaranteed protection of economic interests, socially directed development of the country as a whole, sufficient economic potential at adverse variants of internal and external processes development.

As rightly note T. Kamchybekov and K. Azhekbayrov: “Ensuring economic security is an important condition for the existence of economic activity, because it allows business entities to save the accumulated wealth, operate with investment resources, carry out long-term investments” [8, 48].

In the decision of the Government No. 631 of September 19, 2002 “on the State of the Economic Security of the Republic of Kyrgyzstan and Measures of its Further Ensuring” it was noted that economic security is an important part of public policy of the Kyrgyz Republic.

Main points in it support at the present time are: maintenance of normal living conditions of the population; ensuring with the necessary resources of all sectors of the economy; creation of conditions and prerequisites for the stabilization and further development of the economy and its protection against external and internal threats.

In the Strategy of the country development for 2007-2010 approved by the Presidential Decree of the Republic of Kyrgyzstan No. 249 PD (Presidential Decree) of May 16, 2007, it was written that the most important prerequisites for the successful implementation of this strategy is a providing the following major types of economic security: financial, energy, industrial, defense, food, etc.

Of course, that the system of economic security has both, inherent object – the country's economic system, and objects at the intersection and interpenetration with other possible areas of activity. Therefore, the system of economic security must be considered in the economic sphere itself, including foreign and domestic economic problems, and in the areas of intersection of the economic sphere with allied foreign economic areas. These include the military-economic sphere, the sphere of public safety (problems of the shadow economy, organized crime and corruption in the economy, economic frauds which are carried out in accordance with the law, etc.).

The main parameters of economic security, as it is considered to be, depends on the dynamics of production, the state of state's budget and debt, political, legislative, environmental nature inevitably lead to a decline in the economic potential of the country's National economy. Thus, for the economic security any form of threats or damage as a rule, always leads to material and financial losses that adversely affects the country's balance of payments. Therefore, to the internal threats as factors causing the crisis of economic security can be attributed: imperfection of tax and customs policy; a small portion of processing mineral raw materials on the territory, etc.

In an extremely common form the threats to the economic security of the country can be divided into two types, characterizing: 1) the deterioration the state and functioning of economy in respect of all its main parameters; 2) the criminalization of the economy, the growth of criminal-shadow impact on the processes of economy, production and distribution of material values and services.

Therefore, returning to the classification of domestic economic threats, it is possible to make an indisputable conclusion that the main economic threat is an imperfection of the system of government administration, the weakness of efforts to restore order in the economy, eliminate the conditions of enormous material and financial losses of the country. Internal threats to the economic security of the Kyrgyz Republic must be eliminated by authorities combating economic crimes in the framework of Financial Police and the Ministry of Internal Affairs, as well as by the executive authorities as a whole.

As believes U. O. Amanaliev, "further improvement the mechanism of public management the system of taxes and fees, as well as ensuring economic security of the Kyrgyz Republic, is associated with looking for optimum organizational forms and methods, including improving the organization and functioning of the Kyrgyz Republic Financial Police. Special attention deserves the need for the scientific development of issues of law enforcement and controlling activities of the Kyrgyz Republic financial police bodies from which depends on the solution of many economic problems" [3, 6].

Establishment the Financial Police of the Republic of Kyrgyzstan was aimed to perform such functions in a modern state, as the protection of property rights, ensuring the legitimate rights and interests of citizens, entrepreneurs, and most importantly to ensure economic security of the state. Presidential Decree of the Republic of Kyrgyzstan "On Normalization the Functions and Powers of Government Agencies Engaged in Combating Economic Crimes" [9], has set before the Financial Police of the Republic of Kyrgyzstan, the following priorities:

- protection of state ownership and budgetary funds;
- combating against corruption, bribery and official misconducts;
- combating against smuggling;
- combating against spurious entrepreneurship and tax evasion in especially large amounts.

Analysis of the crime situation in Kyrgyzstan in the sphere of economy shows that the main channels of the committing shadow economy, corruption and smuggling are: insufficiency of measures taken on the customs borders, including airports and railway stations aimed to prevent illegal importation to and exportation from the Republic of material asset; insufficiency of measures taken to timely revealing and prevention the facts of the underground production of goods, including wine-vodka products, tax evasion and unfair business.

In conclusion, we believe appropriate to draw the following conclusions.

Economic security is organically incorporated into the overall system of national security, along with military and defense, ecological and information security. But, because of the importance of production processes, distribution and consumption of material goods, for the life of society the economic safety is a crucial, basic element, the material basis of the overall national security system.

Without ensuring economic security of the country it is impossible to resolve general problems of national security. Therefore, ensuring economic security, preventing and suppressing of emerging threats to economic security is one of the most important national priorities

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