

ABSTRACT
to the thesis
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for a PhD degree
in specialty 6D050600 - Economics

**“Assessment of the impact of macroeconomic factors on the competitiveness
of national economies in the context of globalization”**

General description of work. The dissertation research is devoted to assessing the impact of macroeconomic factors on the competitiveness of the national economy and developing recommendations for increasing the competitiveness of the economy of Kazakhstan in the context of globalization processes.

Relevance of the research topic. The dynamism of modern globalization processes based on a rapid change in technology, an increase in the volume and speed of transfer of scientific information, the active use of high technologies as means of production is taking place today against the backdrop of the COVID-19 pandemic and unique acts of lockdown, when not only individuals, regions, but also whole countries. The pandemic, which interrupted the flow of labor, money and goods around the world in one step, is affecting the economy in terms of slowing economic growth, leading to reduced trade and increased poverty. The ongoing changes are forcing the transition of human civilization to a new development paradigm, thereby determining the adaptability and competitiveness of a state to new challenges, which the President of the country K-Zh.K. Tokaev urged to use as a historical chance for the nation in his 2020 Address. Thus, we can talk about the need for a new quality of competitiveness of national economies in a turbulent world, which determines the need for clarification and assessment of new macroeconomic factors that actually affect the country's survival rate in the contradictions of the global world.

Increasing competitiveness is not an end in itself, but the goal is to increase competitiveness in order to improve the well-being of the population. For this reason, in this difficult period for all countries of the world, the issue of increasing the competitiveness of the national economy is especially important.

For the effective advancement of Kazakhstan into the modern system of the world economy, it is necessary to advance in the field of competitiveness and improve the general economic conditions in the country. The state has an important role to play in ensuring this progress. Back in 2006, Kazakhstan developed a “Strategy for Kazakhstan's entry into the top 50 most competitive countries in the world”. This strategy refers to the country's position in the Global Competitiveness Index issued by the World Economic Forum. Despite the fact that in 2013-2015 this task was practically achieved, in subsequent years other countries of the world developed faster than Kazakhstan, which led to the loss of positions in the international ranking. It is required to identify the reasons for the country's decline in the global competitiveness rating - to determine the factors that affect the level of

competitiveness, and to develop recommendations for decision-making at the macro level to increase the competitiveness of the national economy.

To achieve this goal and maintain positions in the long term, it is necessary to determine the factors affecting the competitiveness of the economy of Kazakhstan. Since there are many aspects of competitiveness that ultimately need to be improved, priority macroeconomic factors should be identified.

The purpose and objectives of the study. The purpose of the thesis is to develop theoretical and methodological approaches and practical recommendations for increasing the competitiveness of national economies in modern conditions of globalization based on an integrated approach to assessing significant macroeconomic factors that affect the competitiveness of the national economy.

To achieve this purpose, the following objectives were identified:

- research of conceptual foundations and new theoretical and methodological approaches to the study of the competitiveness of the national economy and the formulation of the author's definition of "competitiveness of the national economy";

- identification of economic factors influencing the competitiveness of the national economy in the context of globalization;

- comparison of existing methods and indicators for assessing the competitiveness of the national economy and justification of the author's integrated approach;

- conducting an econometric assessment of the impact of macroeconomic factors on the competitiveness of the national economy;

- assessment of the effect of Kazakhstan's entry into the integration association;

- identifying industries with competitive advantages and assessing the competitiveness of the regions of Kazakhstan;

- determination of priorities for ensuring the competitiveness of national economies in the context of globalization;

- formulation of measures to increase the competitiveness of the countries of the Eurasian Economic Union;

- development of recommendations for increasing the competitiveness of the regions of Kazakhstan.

The object of the research is the national economy of the Republic of Kazakhstan.

The subject of the research is to assess the impact of macroeconomic factors on the competitiveness of the national economy in the context of globalization.

Theoretical and methodological basis of the research. The theoretical and methodological basis of the research was made by the reports of the World Economic Forum on global competitiveness, reports of the Institute for Management Development on global competitiveness, studies of the competitiveness of the World Bank, the Organization for Economic Cooperation and Development, works of foreign and Kazakh scientists aimed at studying the problems of competitiveness. In the course of studying the factors of competitiveness, methods of econometric,

statistical, correlation, comparative analysis, the method of synthetic control, the index method and other methods of scientific research were used.

Research information base. The information base of the dissertation research was made up of statistics from the World Bank, the World Economic Forum, the United Nations, the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan, as well as materials from international scientific and practical conferences, periodicals and Internet resource networks.

The scientific novelty of the research lies in an integrated approach to assessing the totality of macroeconomic factors affecting the competitiveness of the national economy and obtaining the following new results:

- on the basis of econometric methods, the influence of the main macroeconomic factors and the world oil price on the competitiveness of the national economy was assessed;

- identified the main macroeconomic factors that had the greatest impact on the competitiveness of the national economy of Kazakhstan in the context of global processes;

- the method of ranking the regions of the country according to the level of competitiveness was adapted and the index of regional competitiveness of Kazakhstan was calculated;

- the effect of Kazakhstan's accession to the Eurasian Economic Union was assessed using a new method of synthetic control;

- recommendations have been developed to improve the competitiveness of national economies in the context of globalization, member countries of the Eurasian Economic Union and regions of Kazakhstan, taking into account the results of the study.

Key points submitted to the defense of the thesis:

- the author's definition of the term "competitiveness of the national economy" is formulated: it is the ability of a country, open to international competition, and its economic entities to produce and sell their goods or services on the world market, ensuring high labor productivity, efficient use of resources, a consistently high level of gross capital formation and income citizens;

- based on regression analysis of panel data, macroeconomic factors have been identified that have a significant impact on the competitiveness of the national economy: total factor productivity, average labor productivity, gross capital formation, inflation rate, balance of payments and employment. The value of the Global Competitiveness Index of a country is also influenced by the world oil price and the rate of its growth that it does not control;

- despite numerous problems of a macroeconomic and geopolitical nature, such as the collapse of world oil prices, currency devaluation, sanctions faced by the EAEU countries in 2015-2016, an analysis using the synthetic control method showed a positive impact of integration on trade flows between countries participants;

- recommendations have been developed aimed at increasing the competitiveness of the national economy, based on the results of econometric

analysis, the method of synthetic control and assessment of regional competitiveness.

Brief conclusions based on the results of the dissertation research:

– Summarizing all the definitions, the following definition of the competitiveness of the national economy can be derived. The competitiveness of the national economy is the ability of a country, open to international competition, and its economic entities to produce and sell their goods or services on the world market, ensuring high labor productivity, efficient use of resources, a consistently high level of gross capital formation and income of its citizens;

– In the context of globalization, the competitiveness of the national economy involved in the process of globalization is influenced by many endogenous and exogenous macroeconomic factors. A review of foreign and domestic literature has shown that today, despite a large number of works devoted to certain aspects of the problem of competitiveness, there is a lack of comprehensive research in the field of competitiveness of the national economy, assessments of the impact on it of various factors, including external ones;

– Analyzing the existing methods of assessing the competitiveness of the national economy and taking into account the many factors that affect the country's ability to compete in the context of globalization, the author proposed an integrated approach to assessing the competitiveness of the national economy, which is made from general to specific, and includes the following stages: regression analysis of panel data to determine the degree of influence of macroeconomic factors on the competitiveness of the national economy; analysis of the effect of joining regional integration; assessment of sectoral and regional competitiveness;

– As a result of the regression analysis of panel data, it can be concluded that in order to achieve higher positions in the global competitiveness rating, countries should pay attention to improving their indicators of gross capital formation, total factor productivity, labor productivity, inflation rate, balance of payments and employment. The value of the Global Competitiveness Index of a country is also influenced by the world oil price and the rate of its growth that it does not control;

– Based on the results of a study conducted to assess the degree of influence of the world oil price on the competitiveness of the economy, it was concluded that the increase in oil prices contributes to a decrease in the global competitiveness index of countries. Moreover, the decline in the global competitiveness index takes place to a greater extent for the oil exporting countries than for the non-oil exporting countries;

– The results of the analysis using the synthetic control method showed that trade flows between Kazakhstan and the EAEU countries would be about 18.5% lower without the creation of an integration block. Despite numerous problems of a macroeconomic and geopolitical nature, such as the collapse of world oil prices, currency devaluation, sanctions faced by the EAEU countries in 2015-2016, the study showed a positive impact of integration on trade flows between the participating countries.

– Assessment of the revealed comparative advantages of industries showed that Kazakhstan remains competitive in low-tech sectors of the economy, and is a raw material appendage of high-tech developed countries. The rating of regions showed the heterogeneity of regional development and a sharp difference in growth rates between regions. For this reason, centralized regional development measures are ineffective.

– As a result of the analysis of panel data and cross-country assessment of macroeconomic factors affecting the competitiveness of national economies, in order to maintain and increase the level of competitiveness of the national economy, developed and developing countries were proposed to diversify their economies, which contributes to the achievement of a high level of overall factor productivity and labor productivity. In addition, mineral exporting countries are encouraged to hedge volatility in selling prices, create stabilization funds and reduce capital inflows during a boom to avoid the resource curse and not be dependent on commodity price fluctuations.

– Taking into account the powers and possibilities of Eurasian integration to increase the competitiveness of all EAEU member states, it is proposed: to implement measures to optimize trade tariffs, reduce their complexity, as well as optimize the level of non-trade barriers; development of transport infrastructure, namely improving the quality of transport services and infrastructure; mutual training of students and employees between the EAEU member states; exchange of experience between countries in competitive areas.

– Assessment of the competitiveness of the regions of Kazakhstan on the basis of a three-factor model showed the need for decentralization and creation of its own strategy for each region, taking into account competitive advantages and local characteristics. To increase the competitiveness of the regions of Kazakhstan, it is proposed to: identify "smart" specializations; move from vertical to horizontal coordination between subnational levels of government; to expand the powers of local authorities in the field of finance and taxation; provide training for subnational employees through technical assistance, internships and guidelines; to attract citizens to participate in the process of forming regional policy through the development of local self-government.

The theoretical significance of the research results. The results obtained can be used by state executive structures and organizations in the development and implementation of state programs to increase the competitiveness of the economy. Target consumers of the results obtained: Ministry of National Economy, Ministry of Investment and Development, Ministry of Education and Science, and other departments of Kazakhstan.

The theoretical developments of this research can be used in the preparation of educational and methodological programs for economic specialties and in reading a course on the discipline "Competitiveness of the National Economy".

The practical value of the research results. In practical terms, the research results and recommendations can be used to improve the ongoing socio-economic policy in order to increase the competitiveness of Kazakhstan by concentrating efforts in key areas identified according to the research results.

Approbation of research results. Approbation of the dissertation work was carried out at all stages of its implementation. The main provisions and conclusions of the thesis were discussed at the following international conferences: 31st International Business Information Management Association Conference (Milan, 2018), International Conference of Students and Young Scientists "Farabi Alemi" (Almaty, 2018), 33rd International Business Information Management Association Conference (Granada , 2019), E3S Web of Conferences (Almaty, 2020).

Publication of research results. The results of the thesis were reflected in 8 scientific papers, of which:

- 1 article in the International Journal of Energy Economics and Policy, 88th percentile in the Scopus database in the section "Economics, Econometrics and Finance";

- 3 articles in scientific publications recommended by the Committee for Quality Assurance in Education and Science of the Ministry of Education and Science of the Republic of Kazakhstan;

- 4 articles in proceedings of international scientific and practical conferences, including 3 indexed by the Scopus database.

The structure and scope of the thesis. The structure of the thesis reflects the logic, research order and algorithm for solving the tasks. The dissertation consists of content, notation and abbreviations, an introduction, three sections, a conclusion, a list of references and two appendices. The volume of the dissertation research is 121 pages of typewritten text, including 21 tables and 26 figures. The list of sources used includes 126 items.