

About 50-60 per cent of transit cargos from Europe to Russia is transported through Belarus. One of the vacant possibilities to increase benefits from automobile transportation is to use contrainler cargos in transit communication, it is one of the most perspective in the world. Contrailers have special construction and allow to use Multimodal transportation, to combine auto transportation with rail road and with water transit effectively. In Belarus it occupies less than 1% of cargo turnover, In Japan, USA, South Korea – more than 20%. The barrier to use contrailers is lack of modern logistic bases.

Effective automobile cargo transportation depends on: a) terminal system (it can be provided by modern logistic bases) b) multimodal transportation using contrailers c) request-satisfying pass ability of republic roads d) government structure of logistics strategic research and supervising with appropriate authorities.

What does automobile logistics development bring? a) It will cut transport costs in final product price from 35% to EU average level – 10% and make Belarus products more competitive. b) It will attract new transport flows (which currently pass round Belarus the shortest way from Europe to Russia, from Europe to the East). It will increase profits from transit. c) It will strengthen Belarus position in various world rates and attract new investment of capital into national economy.

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## GLOBALIZATION AND BELARUSIAN SOCIETY

Globalization is the name for the process of increasing the connectivity and interdependence of the world's markets and businesses. This process has speeded up dramatically in the last two decades as technological advances make it easier for people to travel, communicate, and do business internationally. In general, as economies become more connected with other economies, there has increased competition which is a good thing since it makes agents of production more efficient. The two most prominent pro-globalization organizations are the World Trade Organization and the World Economic Forum. All the countries involved in the free

trade are at a profit. As a result, there are lower prices, more employment and a better standard of life. In two decades from 1981 to 2001, the number of people surviving on \$1 or less per day decreased from 1.5 billion to 1.1 billion. Simultaneously, the world population has also increased. Thus, the percentage of such people decreased from 40% to 20% in such developing countries. So, the positive effect is the narrowing gap between the rich and the poor.

In Belarus the Index of Globalization has increased a lot since 1990 (Zviazda, 03.01.2011). Foreign capital inflow has increased in recent years. Nearly 3,000 companies founded with the participation of investors from 77 countries are present in Belarus. The five main investors of Belarus are Russia, Switzerland, Austria, Germany and Latvia. The most attractive sectors to foreign investors are construction and metallurgy, consumer goods, chemical and petro-chemical products, wood, transport and the medical sector.

For a number of years, the government has been seeking to enhance the country's appeal at a global level. It has therefore implemented a number of measures to ensure investor protection, created six duty-free zones in the country and set up Investment Advisory Offices as well as the National Investment Agency. The main strong points of Belarus are an advantageous geographical position, the country being a point of entry into Europe and into the CIS countries; a number of measures favorable to direct foreign investments; a qualified and cheap labour force as compared with Europe. The country's weak points are still many. We can name some: complexity of legislation; the slowness of administrative procedures; low quality infrastructures.

But in spite of all the benefits which globalization brings, the biggest disadvantage of globalization is the increasing number of loafers. As stated at Wikipedia, many workers found themselves suddenly unemployed, as could no longer compete with machines which only required relatively limited work to produce more product than a single worker. Another harmful disadvantage of the economic globalization is that some cultures are getting lost. The cultures of the countries that have more economic power are more dominant than others. It takes

place because wealthy countries produce many things that can affect cultures, for example, clothes, movies and technologic products.

Having read a lot of information about all this, I decided to carry out a kind of public opinion poll and find out what people in our country think about globalization? Having carried out the survey, I faced some very unexpected results. Out of 876 samples 43% of people think that globalization is harmful to Belarus and for the whole world in general. 33% are not interested in this process at all and don't see any benefits. And only 24% want our country to be involved in the globalization processes.

To sum up I may say that according to our study the Belarusian society is not ready yet to be fully involved in the process of globalization. There is a lot of work to be done to attract investors to our market. Moreover, our legislation should be made more user-friendly for foreign businessmen.

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#### PRIVATIZATION IN BELARUS: STATUS, PROBLEMS, PERSPECTIVES

A top-priority task set by the President of Belarus is the FDI attraction in Belarus. In the ranking of the World Bank's Doing Business-2012, Belarus ranks 69th, which is 22 points higher than in the previous year (91th place).

70% of the country's GDP is still produced by state-controlled enterprises. In many of them wear and tear of the fixed assets amounts to 60-80%. To renew assets private investments are needed.

The Government takes clear steps towards liberalization of the stock market and privatization: abolishment of "golden share"; phase-out of the moratorium on circulation of shares acquired during preferential privatization; lists of hundreds of enterprises to be reorganized into open joint stock companies (OJSCs) and lists of companies at sale for investors; governmental program encompassing 52 clear steps towards further simplification of Doing Business in Belarus.