

THE VISION OF ECONOMIC COOPERATION BETWEEN SOUTHERN CAUCASUS, ARMENIA AND ARTSAKH

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Currently, the economic area of the Earth is shared between different economic and political associations. The struggle for each square meter of area has been so sharpened that we can surely insist that each square meter is “occupied” or used by these associations. Moreover, superpowers have been struggling even for the poles of the earth. For example, the economic potential of the North Pole is estimated more than \$ 30 trillion. In the coming years the process of fusion of economic associations will proceed at a new pace. The South Caucasus region is also undergoing a process of economic integration and deepening of scientific and technical progress which in this or that way relates both to the regional 3 countries (Armenia, Georgia, Azerbaijan) and to the economic relations and interrelations between them. Increasing the efficiency of economic relations and applying the theory of comparative advantage in the base is of vital importance for ensuring higher rates of economic growth and significantly increasing the standard of living of the population especially for the Republic of Armenia and the Republic of Artsakh. In such conditions it is also important to develop and implement new directions of economic partnership which will open new horizons for the socio-economic development of Armenia and Artsakh.

Key words: gross domestic product, external product life cycle, export, import, coefficient of comparative advantages, main directions of development.

Introduction

The aim of our research is to study the intensity of economic relations between the countries of Southern Caucasus and also between Armenia and Artsakh and to show the opportunities and ways of their further developing according to modern theory of comparative advantages of external product life cycle. The following main issues are set based on the above mentioned:

1. The sense of economic integration of Southern Caucasus and other regional countries,
2. The economic losses of Southern Caucasus and other regional countries due to the absence of cooperation,
3. The main macroeconomic relations of the Republic of Armenia and Artsakh,
4. The main directions of deep specialization of the economy of the Republic of Artsakh.

To explain the essence of economic integration (cooperation) more detailed both at the global and regional levels, let us first consider this concept from the point of view of the participation of the country in the international division of labor. The deepening of the international division of labor inevitably leads to the development of economic cooperation.

Economic integration (cooperation) is the process of developing and sharing stable economic relations between national economies, which, involving external economic exchange and production, leads to the close intertwining of national economies and especially to the formation of a unified economic complex on a regional scale.

All the countries of the world are involved in the international division of labor to some extent. Its material basis is the development of production capacity which is affected by the technological revolution. The latter is formed and developed in a single country and then is spread through a competitive struggle encompassing the corresponding region.

International division of labor provides the participating countries with additional economic efficiency and the role of dependence on natural resources is significantly reduced.

The processes of development of economic integration are complex and contradictory. They are influenced by both economic, political, cultural, religious and technological factors. And although the main cause of integration is the economy developed outside the borders of the national economy, conditional integration processes are formed on the basis of a change in the ratio of the factors listed above. Integration processes are carried out at the micro level through signing contracts between companies in neighboring countries and through the establishment of their branches in foreign countries and the co-ordination of respective long-term strategic plans and economic policies based on separate economic unions. Interstate regulation aims at ensuring the free movement of goods and production factors in the area, coordinating and jointly implementing the economic, scientific-technical, financial, monetary, social, foreign and military policies of the participating countries. That is why such a regulation implies the creation of such economic unions between countries that must have a single currency, infrastructure, common financial interests and international or interstate governing bodies. Interstate agreements of countries that are members of the organization of economic integration are regulated by interstate bodies.

So, yet at the beginning of the 19th century when the international movement of the capital was given a big start which was connected with the ordinal formation of world economy, the centre of international economic relations (IER) gradually becomes the sphere of production. The latter shows that the creation of those conditions had been started since the mentioned period which favoured to pass to a qualitatively new international integration of world economic relations which are a contemporary way of IER.

Regional economic integration implies that first the mutual adaptation of national economies, their integration into unified reproductive processes and other objective processes should be taken into account for enhancing sustainable economic relations and division of labor. Mutual economic dependence between the two countries is connected to the benefit of both parties and the breakdown of these relations between them brings to a loss.

The reason for regional economic integration processes is the problem of unification of production resources. Since then, the integration nucleus has gradually become the field of technology. More recently, information and engineering activities have been given a prominent place.

The objects of economic integration are both products, services and all kinds of production resources which are at the same time objects of international production and scientific-technical cooperation and exchange. Economic integration means the development of all forms of international economic relations closely intertwining them on an international (or regional) scale.

Stable and permanent cooperation strengthens the overcoming of the isolation of national economies. Creating a unified economic, legal and information space is a necessary requirement for all economic entities to operate freely and effectively. Globalization has become the essential part of the deep changes in modern times which take place in the system of all kinds of international relations reflected in the strengthening of various spheres of public life and activity including economic interdependence and mutual influence.

Economic integration enables the economic entities to

- Freely use the production resources of participant countries,
- To take into account the capacity of the markets of integration unity before organizing the production of certain product,
- Protect the participant countries from the competition of the third countries,
- Solve those urgent problems all together which are connected with the reduction of unemployment rate, supporting the poor with social grants, further development of health care, labor protection and social security.

One of the significant issues of our reality is the growing interdependence of the economies of different countries, the development of integration processes at micro and macro levels and the transition from close national economies to open economies of almost all countries. One of the statements of current development is the interconnected growth of the economies of the countries. The interdependence of countries becomes an essential reality. Regional economic ties are gradually

formed and especially intensified involving many countries. Economic integration is gaining practical application determining the perspectives of further development of the participant countries. The logic of market economics and theory of classical economics, namely the free exchange of other factors of trade and production, have also contributed to the development of integration processes.

The liberalization of the exchange of production factors (labor, capital, technologies, information and entrepreneurial experience) facilitated the process of adaptation of national economies to external conditions, facilitating their more active involvement in the international division of capital. As a result, a wide distribution of manufacturing forces took place beyond the territorial boundaries. At the same time, this process is concerned with the most important elements of the material and non-material sectors - not only the commodities but also the capital, services, labor and all stages of social production.

Overcoming the barriers between national economies, ensuring openness and their gradual unification of national economies is an essential component which characterizes the deepening of economic cooperation enabling greater efficiency in solving the problems of socio-economic development of the states. Or, in other words, regional economic integration has now become one of the key conditions for the economic growth and rising the living standards of the participating countries.

The rapid rise of productive forces leading to unprecedented growth of production and consumption creates problems at the same time often in global scale such as environmental protection the failure of timely solution of which can be fatal to the national economy.

Within the framework of economic integration the countries set similar tasks. Among them are

- Carrying out the advantages of economy. It enables to involve foreign direct investments which are collected more in the countries with large scale markets. In such cases, it also makes sense to create self-sufficient areas to meet market demands.

- Creating a favorable innerpolitical environment. Cooperation of participating countries in political, military, social, cultural and other non-economic spheres. Geographically neighboring countries with similar problems of development and good relations with economic commitments and which have political monopoly.

- Solving issues of trade policy. The regional cooperation is often seen as a means of strengthening the positions of countries involved in multilateral trade negotiations at the World Trade Organization. The coordinated speeches by a number of countries have more weight which has desirable results in trade policy. Moreover, regional unions allow to create a more stable and predictable environment for trade than multilateral negotiations where the interests of participants significantly differ from each other.

- The impact of structural reforms of economy. The integration of countries that create market economies or implement economic transformations into trade agreements of countries with high levels of regional market development is seen as an important means of exchange of market experience. It is also a guarantee that the chosen marketing means is unchangeable. The more developed countries joining the cooperation process are also interested in accelerating market reforms to create full and expanded markets.

- Sponsorship of new branches of national industry. Even if integrating countries do not envisage discriminatory policies towards the third countries, the same cannot be said for encouraging local producers as they are opening a larger regional market.

Regional economic integration can be viewed from two perspectives - both as a process and as a situation. Regional economic integration, as a process, is the implementation of measures aimed at eliminating as much discrimination as possible between the economic units of different states and, as a situation, excluding different forms of discrimination between national economies.

Thus, the process of economic cooperation between countries leads to closer economic mechanisms. Its preconditions are the relevance of the levels of market development of the participating countries, the geographical close position of those countries, the generality of the problems they face, the purpose of accelerating market transformation and the desire to stay out of the

ongoing cooperation processes. Economic cooperation occurs to use the benefits of the single market, to create favorable conditions for the development of the country to strengthen its participation in international economic agreements, to exchange market experience and to encourage the development of national industry and agriculture.

Depending on the political, economic, historical, geographical, national, cultural and other features, economic integration between countries in the world economy occurs in two directions: global and regional. Because of the above mentioned reasons, economic cooperation processes in different parts of the world are moving at different speeds, that is why countries that have a similar level of economic development also have similar methods of managing the economy and are close to one another geographically and culturally, they form regional integration organizations within them they are more integrated to deepen economic cooperation among themselves thus remaining part of the global economy.

If the task of provision of integration of national economy into world economy is a very long process, then within certain regional framework it will change very quickly as a result of the opportunity of overcoming the obstacles between economies.

So, the international economic integration may be defined as objectively recognized process during which adaptation and intertwining of national economies in the basis of which the international cooperation and the export of the capital of self acting economic entities lies¹⁸.

1. The significance of economic intergartion of South Caucasus and other countries of the region

Let us discuss more specifically (based on statistical data) the number of indicators characterizing the current state of economic integration between the South Caucasus countries distinguishing among them the Republic of Armenia and the countries of region (including the Eurasian Economic Union (EAEU) and the four neighboring countries of the Republic of Armenia) [1] (p. 120-162). The most important indicator of regional cooperation is the trade in goods and services between the countries of the region (Table 1). The study of the structure of foreign trade of the Republic of Armenia and other countries of the South Caucasus region shows that the share of countries of EAEU in the export structure of the RA is 28,3% while the import comprises 26,0%. It is noteworthy that the Russian Federation has the largest share of these indicators. As for the neighboring countries of the Republic of Armenia, the share of these countries in the total export index made up 6,8% in 2018 and in the import - 11.8%. The figures above show weak foreign trade between Armenia and other countries of the region.

Table 1

External trade between RA and South Caucasus and other countries of the region and its structure in 2018

	Export, thousand USA dollars	Import, thousand USA dollars r	Export structure, % to the total	Import structure, % to the total
1	2	3	4	5
TOTAL	2,412,432.7	5,015,544.3	100.0	100.0
<i>Among which</i>				
CIC countries	719,026.9	1,492,903.6	29.8	29.8
<i>Among them</i>				
EAEU countries	688,473.6	1,302,499.9	28.5	26.0
<i>Among them</i>				

¹⁸ A. Markosyan, G. Nazaryan, D. Hakhverdyan, International economic relations, Manual, two parts, Yerevan, YSTAC, 2012, part 2, p. 494.

1	2	3	4	5
Russian Federation	665,768.6	1,259,897.1	27.6	25.1
Belarus	11,942.9	38,610.2	0.5	0.8
Kazakhstan	9,791.6	3,692.4	0.4	0.1
Kirgizistan	970.5	300.2	0.0	0.0
Other countries of CIC	30,553.3	190,403.7	1.3	3.8
<i>Among them</i>				
Ukraine	18,255.8	153,629.9	0.8	3.1
Turkmenistan	3,079.8	27,468.0	0.1	0.5
Uzbekistan	2,440.2	2,562.5	0.1	0.1
Other countries	6,777.5	6,743.3	0.3	0.1
EU 28 countries	683,409.2	1,155,298.8	28.3	23.0
Other countries	1,009,996.5	2,367,341.9	41.9	47.2
<i>Among them</i>				
Georgia	68,685.5	70,774.3	2.8	1.4
Iran Islamic Republic	94,203.6	269,341.4	3.9	5.4
Turkey	2,527.7	252,594.2	0.1	5.0

Formed and calculated on the Social-economic situation of the Republic of Armenia in 2019 January–May, Yerevan, RA, 2019, p. 104-105

The next important spheres of regional integration (cooperation) are investments. The study of the volumes and structure of net inflows of foreign investments in the real sector of the Republic of Armenia by South Caucasus and other countries in the region in 2017-2018 (Table 2) shows that if in 2017 the share of EAEU countries was -13.0% (which means that investments were out of Armenia), then in 2018 this figure was 53.8% (which means that investments flew into Armenia). These indicators for the neighboring countries of the Republic of Armenia were 0% and -1.2%, respectively.

Table 2

The volumes and structures of net flows of foreign investments in RA real sector by Southern Caucasus and other countries of the region in 2017-2018

	2017 January-December, net flows				2018 January-December, net flows			
	Investments, total, mln AMD	% to the total	Direct investments, mln. AMD	By %-in direct investments	Total investments, mln. AMD	By % to the total	Direct investment, mln AMD	By %-in direct investment
1	2	3	4	5	6	7	8	9
Total	74,619.9	100.0	93,043.9	100.0	27,581.4	100.0	111,870.5	100.0
Including								
EAEU countries total	-9,560.0	-12.8	-12,070.5	-13.0	43,608.2	158.1	60,194.2	53.8
Russian Federation	-9,752.3	-13.1	-12,073.1	-13.0	43,507.1	157.7	60,194.3	53.8
Belarus	192.3	0.3	2.6	0.0	101.1	0.4	-0.1	-0.0
Kazakhstan	-	-	-	-	-	-	-	-
Kirgizistan	-	-	-	-	-	-	-	-

1	2	3	4	5	6	7	8	9
RA neighboring countries, total	-212.3	-0.3	2.2	0.0	1,764.8	6.4	-1,389.9	-1.2
Including								
Iran Islamic Republic	-31.3	-0.0	85.8	0.1	-149.9	-0.5	-	-
Georgia	-181.0	-0.2	-83.6	-0.1	2,534.6	9.2	-770.0	-0.7
Turkey	-	-	-	-	-	-	-	-
Azerbaijan	-	-	-	-	-	-	-	-
Artsakh Republic	-	-	-	-	-619.9	-2.2	-619.9	-0.6

Formed and calculated on the Social-economic situation of the Republic of Armenia in 2019 January–February, Yerevan, RA, 2019, p. 94-95

One of the most important indicators of regional economic integration relates to transfers of individuals to non-commercial countries through the RA banking system (Table 3). The study of the data shows that the majority of transfers to individuals for non-commercial purposes through the Armenian banking system refers mainly to the Russian Federation and the USA and the share of neighboring countries of the Republic of Armenia is not large. As for the full data for this indicator for 2018, according to the Central Bank of Armenia, total inflow was \$ 1785,6 million, outflow - \$ 1188,4 million and net inflow - \$ 597,2 million. From these amounts, Russian share was \$ 1050,0 million (or 58,8% of the total), \$ 471,7 million (39,7%) and \$ 578,3 million (96.8%) respectively.

Table 3
The structure and non commercial transfers to individuals through banking system of RA according to countries in 2016 - 2017

Country	2017			2016		
	Inflow	Outflow	Net inflow	Inflow	Outflow	Net inflow
1	2	3	4	5	6	7
Total	1756485	1024993	731492	1532883	816982	715901
	100.0	100.0	100.0	100.0	100.0	100.0
Russian Federation	1064984	376132	688853	896916	333400	563516
	60.6	36.7	94.2	58.5	40.8	78.7
USA	183253	196322	-13068	176569	83862	92707
	10.4	19.2	-1.8	11.5	10.3	12.9
Ukraine	9102	13649	-4547	9298	10705	-1407
	0.5	1.3	-0.6	0.6	1.3	-0.2
Kazakhstan	46839	2625	44214	18894	4368	14526
	2.7	0.3	6.0	1.2	0.5	2.0
Germany	38568	28866	9702	52134	23776	28358
	2.2	2.8	1.3	3.4	2.9	4.0
Spain	9891	19387	-9496	8839	12544	-3705
	0.6	1.9	-1.3	0.6	1.5	-0.5
France	26291	15427	10864	30365	14589	15776
	1.5	1.5	1.5	2.0	1.8	2.2
UAE	27105	21393	5712	19509	22896	-3386
	1.5	2.1	0.8	1.3	2.8	-0.5
China	4454	64710	-60257	2939	56629	-53690
	0.3	6.3	-8.2	0.2	6.9	-7.5

1	2	3	4	5	6	7
Turkey	1446	10306	-8860	2517	8154	-5637
	0.1	1.0	-1.2	0.2	1.0	-0.8
Other countries	344550	276176	68374	314903	246058	68845
	19.6	26.9	9.3	20.5	30.1	9.6

* Numerator thousand US dollars, denominator by %- to the total

Source formed and calculated by RA Central Bank (<https://www.cba.am/am/SitePages/ppperiodicals.aspx>) 20.08.2019 data

Consequently, the above mentioned study shows that the regional cooperation of the Republic of Armenia needs significant improvements and changes taking into account the application of new forms and structures of partnership and the search for new markets and partner countries.

2. Economic losses of Southern Caucasus and other countries of the region due to lack of cooperation

The study of the external trade turnover of small and open economies in particular and the effectiveness of these relationships with other countries should first start by measuring the main macroeconomic indicators characterizing the exchange of goods, services and capitals of the countries and then build the macroeconomic model that shows the relationship between these variables and after by applying this model, to examine how economic policies in given and other countries affect goods, services and flows of capitals. The basis for the economic analysis is the balance of the payments of the country under this approach [2] (p. 332), [3] (p. 274-281).

The balance of payments is the systematic record of the results of all economic transactions between residents of a given country and other countries around the world (usually within a year as a rule). The balance of payments shows non individual but gross transactions between the given country and other countries of the world, it is an important orientation for the development of macroeconomic policies (including fiscal, monetary, foreign trade and foreign exchange).

The difference in the balance of payments of the RA over the past years for many objective and subjective reasons was a negative dimension (by the way, the causes of such causal relationships and their quantitative assessment is a separate research issue related to at least a decrease in the balance of payments). Table 4 lists the individual items of the balance of payments (annual) of the Republic of Armenia and the balance sheet for 2000-2018 which shows that although the difference in the balance of payments in the last years (2017-2018) compared to 2010 has declined significantly, but it remains high. As for the figures for 2015-2016, this indicator at first glance seeming to have been improved, but has been achieved as a result of the slowdown in the economic growth (in 2016 the economic growth of Armenia rate was 0,2% which is the lowest in the post-crisis period and the index of Consumer Price- 98,6% which means deflation). It is also obvious that the difference in the balance of payments in the RA is mainly due to the current account (the difference between export and import of goods and services).

Table 4
Articles of RA payment balance (annual) and difference between balance in 2000-2018, mln. USD

Index	2000	2005	2010	2015	2016	2017	2018
1	2	3	4	5	6	7	8
Goods and services	-531.8	-782.6	-2,326.5	-1,281.8	-1,015.8	-1,403.3	-1,913.8
Goods	-466.9	-634.7	-2,065.7	-1,186.4	-944.4	-1,375.4	-1,766.0
Services	-64.8	-147.9	-260.8	-95.4	-71.4	-27.9	-147.8
Initial revenues	59.0	206.0	458.3	442.9	224.2	463.3	162.1
Secondary revenues	171.1	452.7	606.8	566.5	553.4	660.3	621.1
2. Capital balance	13.0	84.0	98.9	65.3	34.9	46.3	67.6
3. Financial balance	-216.1	-203.3	-1,318.5	-356.5	-431.6	-540.1	-689.2

1	2	3	4	5	6	7	8
Storage actives	19.2	214.0	-128.7	332.9	454.6	49.8	-46.3
Pure mistakes and omissions	72.6	-163.4	-155.9	-149.3	-228.3	-306.7	373.8
Difference of payment balance	-413.0	-192.7	-2,765.7	-380.0	-408.5	-1,030.4	-1,424.8

Source by data of RA Central bank on 22.08.2019, website source
<https://www.cba.am/am/SitePages/statexternalsector.aspx>

And why the improvement of the difference of transactions of export and import of goods and services is highlighted. The answer to this question as follows: nowadays any country uses the rate of gross domestic product (GDP) to estimate the results of economic activity which is defined by the following formula

$$GDP = C + I + G \pm \Delta E,$$

Where

C – is the volume of the consumption by the society

I – is the total (general) investments

G – is the governmental costs

ΔE – is net export (difference between export and import).

We may conclude from the formula that the dimension of GDP is directly dependent on the difference of export and import of goods and services, it means that if the amount of export and import exceeds their import, then the dimension of GDP increases and in the case of their deficiency the dimension of GDP decreases. That is why all the countries of the world try to increase the amount of export and not that of import with quick steps.

How is the cooperation between two or more nations (states) implemented and what is the criterion of its effectiveness? Or from which country the product or service should be purchased or should they be produced in the country of origin being the same? The answer to this question was given by the founders of classical economics and then supplemented and updated by the efforts of other economists. If we answer briefly the above questions, the basis of cooperation is the theory of absolute and comparative advantage of countries. Without deepening and detailing into all of their nuances and aspects (revealing them and applying them in the policy of socio-economic development of the country is another study), it should be noted that, according to the theory of comparative advantage, the coefficient of relative (comparative) advantage of the country (UCA) characterizes the degree of specialization of the given product or service and is calculated by the following formula:

$$CCA = \frac{\text{Advantage}}{A+I} \times 100,$$

Where CCA is the coefficient of comparative advantages, A – is the volume of export, I – is the import [4] (p. 18-26).

CCA fluctuates between the interval [-1, +1] or [-100, +100] (in case of percentage). In this case CCA is -1 or -100 when the country only imports and it is +1 or +100 when the country only exports. The closer the CCA of any country is to +100, the higher is the degree of specialization of that country and vice versa. As the CCA compresses the whole potential of export and import of goods and services of the country in itself, then it also compresses the quality of macro and micro economics and also megaeconomics of the country.

Specifying the above mentioned for RA 2017-2018 according to the example of foreign trade of other countries, our calculations are summarized in Appendix 1. The CCA of the product groups with the enlarged nomenclature of RA are given in Table 6.

It can be seen from the data in Appendix 1 the overwhelming majority of the CCAs of the RA external trade turnover by individual countries had negatively high values both in 2017 and 2018. At the same time, this indicator for 2018 had significantly worsened compared to 2017. In 2018, the CCAs of the RA foreign trade turnover were positive with Kazakhstan, Kirgizstan, Belgium, Bulgaria,

Romania, the Netherlands, Switzerland, Iraq and Canada. This means that Armenia should deepen and expand trade and economic relations with these countries as our country gains benefits not losses from this cooperation. As for the CCAs of RA and neighboring countries, it was -0,010 with Georgia, -0,482 with Iran and -0,980 with Turkey. It is obvious that foreign trade of Armenia with its neighboring countries needs to be substantially improved in terms of significantly increasing export volumes.

In order to find out the efficiency of the foreign trade turnover of the Republic of Armenia by commodity divisions, Table 5 shows the values of this indicator (CCAs) for 2017-2018. The data in Table 5 suggest that when designing the commodity turnover policy of the republic by product group, priority should be given to those commodities whose CCAs are close to +1.

Table 5

Export and import volumes of RA and their CCA according to product share in 2017-2018

	2017			2018		
	Export, thousand of USD	Import, thousand of USD	CCA	Export, thousand of USD	Import, thousand of USD	CCA
1	2	3	4	5	6	7
TOTAL	2,237,697.6	4,097,065.7	-0.294	2,411,934.8	4,963,227.3	-0.346
Including						
Animals and products of organic origin	58,538.9	133,668.6	-0.391	50,640.2	131,826.8	-0.445
Products of herbal origin	63,360.5	190,768.1	-0.501	93,655.9	217,910.7	-0.399
Fats and oils of organic and herbal origin	115.5	49,155.1	-0.995	77.0	55,023.7	-0.997
Production of ready made food	524,123.3	353,075.7	0.195	553,358.5	399,669.9	0.161
Raw mineral production	675,922.7	644,914.4	0.023	644,368.0	718,554.2	-0.054
Production of chemistry and related industries	29,521.5	406,878.1	-0.865	28,456.4	395,977.8	-0.866
Polyethilen and objects made of it, rubber objects	10,283.6	171,710.2	-0.887	14,275.5	199,626.0	-0.867
Leather raw, fur and objects made of it	10,345.9	19,361.9	-0.303	13,723.9	24,370.1	-0.279
Wood and wooden objects	2,347.0	45,488.3	-0.902	1,927.0	56,540.9	-0.934
Paper and paper things	1,187.8	77,408.0	-0.970	1,356.5	92,128.2	-0.971
Knitted things	136,084.0	263,599.2	-0.319	225,035.3	318,123.9	-0.171
Shoes, hats, umbrellas	2,829.7	45,659.3	-0.883	4,476.2	57,228.3	-0.855
Objects made of stone, wax, cement	16,008.7	86,771.5	-0.688	24,181.7	93,952.3	-0.591
Precious and semi precious metals and objects made of them	291,027.4	233,407.8	0.110	306,355.2	286,242.7	0.034
Non precious metals and objects	268,838.7	291,969.4	-0.041	296,610.8	340,081.2	-0.068
Cars, equipment and mechanisms	41,399.5	628,435.4	-0.876	43,596.2	935,308.5	-0.911

1	2	3	4	5	6	7
Land, air and water transport means	15,876.4	247,683.1	-0.880	26,283.5	362,133.3	-0.865
Tools and apparatus	39,378.5	83,645.6	-0.360	52,800.5	118,260.1	-0.383
Various industrial goods	49,610.6	123,206.5	-0.426	30,046.6	160,064.6	-0.684
Works of art	897.5	259.6	0.551	709.9	204.2	0.553

Source by the social – economic situation of the Republic of Armenia in January-December 2018, Yerevan, RA, 2019, p. 132

The study presented in this part of the work shows a significant gap between the export and import of goods and services between the regional countries which results in outflow of significant resources from our republic to foreign countries.

It is also obvious that the reasons of such a situation in the republic are many and various. They include geopolitical, economic, social, historical and other factors. There is no doubt that the Republic of Armenia suffers significant economic losses due to the well-known conflicts with the neighboring republics.

The low level of economic integration between the countries of the South Caucasus region is particularly evidenced by the data presented in Table 6. It is enough to note that, for example, exports of regional countries to South Caucasus in 2010 comprised 5,92% of total exports (US \$ 3519,3 million) and to neighboring countries respectively – 15,3% (US \$ 24123,2 million), imports made up 0,79% (US \$ 2011,1 million) and 8,97% (US \$ 22711.7 million) respectively. These same figures (as the data for 2015 are not available for the Islamic Republic of Iran and Azerbaijan, hence the data for 2014 were taken) made up 3,3% (US \$ 8567,5 million) and 0,6% (US \$ 1879,2 million) respectively and 1,5% (US \$ 3662,7 million) and 8,0% (US \$ 19252,3 million) in 2017 and imports – 0,6% (US \$ 1626,9 million) and 8,5% (US \$ 21535,3 million). It is also interesting to note that in the created situation Georgia is sharply improving its rates compared to that of Armenia and Azerbaijan.

Table 6

The amount of interregional export and import of South Caucasus countries in 2005-2017

Countries	Export					Import				
	Total	South Caucasus		Neighboring countries		Total	South Caucasus		Neighboring countries	
	Mln. USD	Mln. USD	%	Mln. USD	%	Mln. USD	Mln. USD	%	Mln. USD	%
1	2	3	4	5	6	7	8	9	10	11
2005										
Armenia	882.8	34.1	3.9	59.7	6.8	1641.4	39.3	2.4	193.4	11.8
Georgia	845.7	122.9	14.5	402.7	47.6	2435.6	272.7	11.2	963.6	39.6
Azerbaijan	8318.7	0.7	0.0	6.2	0.1	7806.6	256.3	3.3	351.1	4.5
Iran	37339.7	523.9	1.4	3240.4	8.7	38072.4	175.4	0.5	1391.6	3.7
Turkey	69942.5	799.9	1.1	6292.7	9.0	113850.5	575.6	0.5	8169.1	7.2
Total	117329.4	1481.5	1.26	10001.7	8.52	163806.5	1319.3	0.81	11068.8	6.76
2010										
Armenia	973.6	48.2	5.0	88.5	9.1	3606.9	49.7	1.4	478.0	13.3
Georgia	1278.0	176.8	13.8	414.8	32.5	4747.1	568.2	12.0	1746.2	36.8
Azerbaijan	20765.3	411.0	2.0	1480.4	7.1	6092.0	50.4	0.8	2085.1	34.2
Iran	25418.3	562.6	2.2	8774.4	34.5	53328.5	184.5	0.3	3197.0	6.0
Turkey	109670.1	2320.7	2.1	13365.1	12.2	185523.7	1158.3	0.6	15205.4	8.2
Total	158105.3	3519.3	5.92	24123.2	15.3	253298.2	2011.1	0.79	22711.7	8.97

1	2	3	4	5	6	7	8	9	10	11
2015										
Armenia	1482.7	66.7	4.5	192.0	12.9	3257.0	114.0	3.5	401.5	12.3
Georgia	20720.3	6674.0	32.2	19833.6	95.7	1792.7	1892.8	105.6	2409.1	134.4
Azerbaijan	11326.8	449.1	4.0	1458.1	12.9	9211.1	68.0	0.7	2767.7	30.0
Iran	-	-	-	-	-	-	-	-	-	-
Turkey	143935.0	6674.0	4.6	19833.57	13.8	207203.4	6551.7	3.2	11014.0	5.3
Total	177464.8	13863.8	7.8	41317.3	23.3	221464.2	8626.5	3.9	16592.3	7.5
2017										
Armenia	2041.3	143.2	7.0	225.9	11.1	4076.7	92.9	2.3	500.3	12.3
Georgia	2727.9	480.9	17.6	1092.2	40.0	7982.4	891.1	11.2	3054.5	38.3
Azerbaijan	13797.7	471.3	3.4	2441.4	17.69	8766.5	74.6	0.9	3069.1	35.01
Iran	66361.7	-	-	-	-	51781,0	-	-	-	-
Turkey	157055	2567.33	1.6	15492.8	9.9	233792	568.3	0.2	14911.4	6.4
Total	241983.6	3662.7	1.5	19252.3	8.0	254617.6	1626.9	0.6	21535.3	8.5
Total 2005-2017										
Armenia	16675.3	959.9	5.8	1786.9	10.7	44935.6	978.1	2.2	5549.6	12.4
Georgia	168023.5	13772.4	8.2	41154.4	24.5	267439.1	12049.3	4.5	71190.2	26.6
Azerbaijan	232652.3	5345.3	2.3	22840.5	9.8	101407.0	1167.1	1.2	31858.0	31.4
Iran	370579.1	9285.6	2.5	50127.4	13.5	257630.9	788.6	0.3	13139.0	5.1
Turkey	1631281.0	34066.8	2.1	211360.8	13.0	2554619.1	15261.4	0.6	171509.8	6.7
Total	2485572.9	63430.3	2.6	327270.0	13.2	3226031.7	30244.5	0.9	293246.6	9.1

Source by www.intracen.org www.armstat.am. and the rates of 2011-2012 by www.armstat.am and www.trademap.org data

Note. The neighboring countries of **Iran Islamic Republic** are Azerbaijan, Turkey, Afghanistan, Turkmenistan, Iraq, Pakistan, Syria, Armenia, Kuwait

The neighboring countries of **Turkey** are Azerbaijan, Bulgaria, Iran, Cyprus, Armenia, Greece, Saudi Arabia, Syria, Georgia

The neighboring countries of **Georgia** are the Russian Federation, Azerbaijan, Armenia, Turkey

The neighboring countries of **Azerbaijan** are the Russian Federation, Armenia, Georgia, Turkey, Iran

The main macroeconomic relations of the Republic of Artsakh and Armenia

One of the important directions for establishing sustainable economic relations between the Republic of Armenia and the Republic of Artsakh (except for investment, labor and technology flows and movements) is external turnover which is carried out through the absolute and comparative advantages of the trading countries. In addition, the latter is calculated by means of coefficients of comparative advantage (CCAs) calculated by the ratio of export and foreign trade turnover according to which these coefficients fluctuate in the interval of [+1, -1]. CCAs describe how countries specialize (the closer they are to + 1, the higher the degree of specialization of countries is which means that it is more advisable to trade with that country). And closer CCAs are to -1, the lower the degree of specialization of countries is with resulting consequences [5] (p. 410-445), [6] (p. 62-71).

The data presented in Table 7 shows that in 2016 the export of the Republic of Armenia increased by 133,6% compared to 2011, import was increased by 79,4%, foreign trade turnover by 86.1% and the remain of foreign trade turnover by 75.3%, CCA by 95,4%. These figures for Artsakh Republic were 101,9%, 82,0%, 92,6%, 53,7% and 57,9% respectively. The indicators can be described as positive.

The data in Table 8 show that the share of Artsakh in the total GDP of the Republic of Armenia and the Republic of Artsakh comprised 4,3% in 2001 instead of 2,0% in 2016 being the highest rate. At the same time, the share of export of the Republic of Artsakh made 1,6% and import – 5,1% respectively. According to the data from the total of 2001-2016 these rates made up 3,2% of GDP, export – 4,6% and import – 6,2%. Although the share of the Republic of Artsakh in the GDP of the Republic of Armenia and Artsakh increased by 2.3 percent in 2001-2016, the export by 2,7 percent

and the import by 2,2 percent, it means that the increase of the share of the export of the Republic of Artsakh increased by 1,2 times of the import share which can also be described as a positive trend.

The facts show the deepening of integration of GDP and foreign trade turnover between the two Armenian republics. This is also evidenced by the data in Table 9 which shows that the share of RA in the foreign trade of the Republic of Armenia made up 88,8% in 2016 from 64,1% in 2001 (growth was 24,7 percent).

Table 7
Foreign trade turnover of the Republic of Armenia and the Republic of Artsakh and the coefficients of comparative advantages in 2012-2017

	2012		2013		2014		2015		2016		2017	
	Armenia	Artsakh	Armenia	Artsakh	Armenia	Artsakh	Armenia	Artsakh	Armenia	Artsakh	Armenia	Artsakh
Export, thousand of dollars	1380199.2	57765.7	1478748.6	59636.4	1547286.8	64663.6	1485331.9	62082.2	1791721.7	81106.3	2242868.8	156601.2
Import, thousand of dollars	4261232.7	291246.5	4385865.9	268833.2	4424424.3	301986.9	3239238.7	252474.9	3273469.3	256859.2	4182660.9	287876.1
Saldo of external trade, thousand of dollars	-233480.8	-2881034	-209196.8	-2907117	-237323.3	-2877138	-190392.7	-1753907	-1481747.6	-175752.9	-1939792.1	-131274.9
External trade turnover, thousand of dollars	349012.1	5641432	328469.6	5864615	366650.5	5971711	314557.1	4724571	5065191.0	337965.5	6425529.7	444477.3
CCA	-0.669	-0.510	-0.637	-0.496	-0.647	-0.482	-0.605	-0.371	-0.293	-0.520	-0.302	-0.295

Source by data of RA NSS and RA NSS

Table 8
Foreign trade of the Republic of Artsakh and the Republic of Armenia in 2001-2017
Mln. USD

	Republic of Armenia			Republic of Artsakh			Armenia and Artsakh			Share of Artsakh in total, %		
	GDP	Export	Import	GDP	Export	Import	GDP	Export	Import	GDP	Export	Import
2001	2118	341.8	877.4	43.0	5.5	47.2	2161	347.3	924.6	2.0	1.6	5.1
2002	2376	505.2	987.2	46.2	14.1	48.1	2422.2	519.3	1035.3	1.9	2.7	4.6
2003	2807	685.6	1279.5	58.5	29.3	54.3	2865.5	714.9	1333.8	2.0	4.1	4.1
2004	3577	722.9	1350.7	80.3	39.1	76.5	3657.3	762	1427.2	2.2	5.1	5.4
2005	4900	973.9	1801.7	112.3	38.2	94.9	5012.3	1012.1	1896.6	2.2	3.8	5.0
2006	6384	985.1	2191.6	148.7	45.3	113.2	6532.7	1030.4	2304.8	2.3	4.4	4.9
2007	9206	1152.3	3267.8	206.9	72.5	204.8	9412.9	1224.8	3472.6	2.2	5.9	5.9
2008	11662	1057.2	4426.1	284.8	55.1	250.0	11946.8	1112.3	4676.1	2.4	5.0	5.3
2009	8648	710.2	3321.1	281.7	57.3	236.6	8929.7	767.5	3557.7	3.2	7.5	6.7
2010	9260	1041.1	3748.9	316.2	74.8	273.4	9576.2	1115.9	4022.3	3.3	6.7	6.8
2011	10142	1334.3	4145.3	363.8	79.6	313.1	10505.8	1413.9	4458.4	3.5	5.6	7.0
2012	10619	1380.2	4261.2	373.5	57.8	291.2	10992.5	1438	4552.4	3.6	3.9	6.4
2013	11121	1478.7	4385.9	411.5	59.6	268.8	11532.5	1538.3	4654.7	3.6	3.9	5.8
2014	11610	1547.3	4424.4	454.0	64.7	302.0	12064	1612	4726.4	3.8	4.0	6.4
2015	10529	1485.3	3239.2	438.0	62.1	252.5	10967	1547.4	3491.7	4.0	4.0	7.2
2016	10547	1791.7	3273.5	478.0	81.1	256.9	11025	1872.8	3530.4	4.3	4.3	7.3
2017	11560	2242.9	4182.7	563.7	156.6	287.9	12123.7	2399.5	4470.6	4.6	6.5	6.4
Total 2001-2017	137066	19435.7	51164.2	4661.1	992.7	3371.4	141727.1	20428.4	54535.6	3.3	4.9	6.2

Source by data of RA NSS and RA NSS

Table 9

The integration of foreign trade turnover of Armenia and Artsakh in 2001-2017

	Armenia, mln. USD			Artsakh, mln. USD			Trade of Artsakh Republic with Republic of Armenia, mln. USD			Share of Artsakh in foreign turnover with Armenia, %		
	Foreign turnover	Export	Import	Foreign turnover	Export	Import	Foreign turnover	Export	Import	Foreign turnover	Export	Import
2001	1219.2	341.8	877.4	52.7	5.5	47.2	33.8	2.0	31.8	64.1	36.4	67.4
2002	1492.4	505.2	987.2	62.2	14.1	48.1	38.6	3.7	34.9	62.1	26.2	72.6
2003	1965.1	685.6	1279.5	83.6	29.3	54.3	47.3	10.7	36.6	56.6	36.5	67.4
2004	2073.6	722.9	1350.7	115.6	39.1	76.5	91.1	26.7	64.3	78.8	68.3	84.1
2005	2775.6	973.9	1801.7	133.1	38.2	94.9	108.5	25.7	82.8	81.5	67.3	87.2
2006	3176.7	985.1	2191.6	158.5	45.3	113.2	152.6	43.1	109.4	96.3	95.1	96.6
2007	4420.1	1152.3	3267.8	277.3	72.5	204.8	257.7	70.3	187.4	92.9	97.0	91.5
2008	5483.3	1057.2	4426.1	305.1	55.1	250	284.6	49.8	234.8	93.3	90.4	93.9
2009	4031.3	710.2	3321.1	293.9	57.3	236.6	273.0	53.0	219.9	92.9	92.5	92.9
2010	4790.1	1041.1	3749	348.2	74.8	273.4	326.6	69.0	257.6	93.8	92.2	94.2
2011	5479.6	1334.3	4145.3	392.7	79.6	313.1	362.5	71.4	291.2	92.3	89.7	93.0
2012	5694.9	1380.1	4261.2	349	57.8	291.2	317.4	47.1	270.3	90.9	81.5	92.8
2013	5864.6	1478.7	4385.9	328.5	59.6	268.8	305.6	50.7	254.9	93.0	85.1	94.8
2014	5971.7	1547.3	4424.4	366.7	64.7	302.0	338.2	57.1	281.1	92.2	88.3	93.1
2015	4724.5	1485.3	3239.2	314.6	62.1	252.5	293.2	51.1	242.1	93.2	82.3	95.9
2016	5065.2	1791.7	3273.5	338.0	81.1	256.9	300.2	68.0	232.2	88.8	83.8	90.4
2017	6425.5	2242.9	4182.7	444.5	156.6	287.9	401.6	141.5	260.1	90.3	90.4	90.3
Total in 2001-2017	70653.4	19435.6	51164.3	4364.2	992.7	3371.4	3932.5	840.9	3091.4	90.1	84.7	91.7

Source by data of NSS of Armeina and NSS of Artsakh

3. The main directions of deepening the specialization of the economy of the Republic of Armenia

The data in Table 10 are remarkable in the way they essentially characterize the degree of specialization of the economy of Artsakh Republic. This means that depending on the size of the CCAs we can plan and deepen the level of specialization of the economy of Artsakh Republic. Finally, they can be the basis for the development of both short-term and long-term programs and strategies for the socio-economic development of the Artsakh Republic. It is also obvious that product groups whose CCAs are small (close to -1) and there is wish to change them to the positive require both long time and labor, material and financial resources. Such an approach would lead to structural reforms of the economy that would be justified if they increase the rate of export growth of the product group and reduce the volume of appropriate imports.

Based on the above-mentioned approach and principles, we can list the main directions and priorities of professional development of Artsakh Republic (such approach is based on the setting of the product line from the highest CCA to the lowest CCA). Thus, the top ten directions of further development of the specialization of the economy of Artsakh Republic (by product groups) can be as follows: 1. Precious stones and metals (for which the average annual CCA value in 2011-2017 was -0,023), 2. mineral products 3. footwear, umbrellas, hats (-0,131), 4. wood and wooden objects (-0,204), 5. vegetable (-0,344), 6. live animals and animal products (-0,482) 7. ready-made food products (-0,781), 8. oils and fats (-0,790), 9. machinery and equipment (-0,846), and 10. plastic, rubber and rubber products (-0,871). Table 11 lists the foreign trade of the Republic of Armenia by countries for 2017-2018 and their CCAs [7] (p. 374-389).

Table 10
The coefficients of comparative analyses of foreign trade of the Republic of Armenia according to product groups (CCAs) in 2011-2017

	2011	2012	2013	2014	2015	2016	2017	Total 2011-2017
Total including	-0.595	-0.669	-0.637	-0.647	-0.605	-0.520	-0.295	-0.557
Animals and product of organic origin	-0.733	-0.754	-0.730	-0.430	-0.274	-0.112	-0.231	-0.482
Product of herbal origin	-0.550	-0.284	-0.498	-0.531	-0.463	-0.087	-0.068	-0.344
Fats and oils	-1.000	-0.991	-0.870	-0.969	-0.373	-0.652	-0.454	-0.790
Ready made food	-0.761	-0.777	-0.723	-0.785	-0.793	-0.825	-0.806	-0.781
Mineral products	-0.122	-0.394	-0.366	-0.294	-0.330	-0.099	0.353	-0.121
Chemicals	-0.996	-0.991	-0.989	-0.988	-0.991	-0.978	-0.981	-0.987
Rubber	-0.820	-0.693	-0.906	-0.957	-0.958	-0.999	-0.985	-0.871
Leather	-0.856	-0.934	-0.861	-0.865	-0.926	-0.955	-0.954	-0.921
Wood and wooden objects	-0.550	-0.342	-0.107	-0.230	-0.184	-0.050	0.233	-0.204
Paper and paper objects	-1.000	-1.000	-0.929	-0.971	-0.972	-0.999	-0.990	-0.978
Knitted things	-0.918	-0.976	-0.981	-0.871	-0.780	-0.838	-0.841	-0.892
Footwear, umbrellas, hats	-0.128	-0.276	-0.387	-0.210	-0.160	0.090	0.195	-0.131
Objects made of stone, wax and cement	-0.939	-0.943	-0.829	-0.904	-0.887	-0.905	-0.862	-0.903
Precious stones and metals	0.061	-0.058	-0.020	-0.285	0.584	-0.135	-0.039	-0.023
Cheap metals and objects	-0.700	-0.727	-0.991	-0.959	-0.965	-0.990	-0.991	-0.895
Machines and equipment	-0.949	-0.961	-0.795	-0.826	-0.783	-0.772	-0.838	-0.846
Meas of transport	-0.917	-0.957	-0.730	-0.943	-0.876	-0.931	-0.964	-0.912
Tools and apparatus	-0.976	-0.942	-1.000	-0.886	-0.927	-0.963	-0.989	-0.952
Furniture, toys and other ready made objects	-0.979	-0.986	-0.977	-0.924	-0.934	-0.946	-0.942	-0.957
Works of art, antiquities	-1.000	-1.000	-0.891	-1.000	-0.904	-1.000	-1.000	-0.978

Source by RA NSS yearbook, 2009-2015, Stepanakert, Artsakh, 2016, p. 284-288, www.stat.nkr.am

Table 11

RA foreign trade by countries in 2017-2018 and their CCAs

	2017թ.			2018թ.		
	Export, thousand of US dollars,	Import (according to production origin), thousand of US dollars,	CCA	Export, thousand of US dollars,	Import (according to production origin), thousand of US dollars,	CCA
1	2	3	4	5	6	7
T O T A L	2,237,697.6	4,097,065.7	-0.294	2,411,934.8	4,963,227.3	-0.346
<i>Including</i>						
CIC countries	595,055.8	1,347,813.3	-0.387	719,163.9	1,490,927.7	-0.349
<i>Including</i>						
EAEU countries	570,999.4	1,216,432.1	-0.361	688,975.9	1,300,524.0	-0.307
<i>Including</i>						
Russian Federation	557,256.2	1,173,233.7	-0.356	666,501.7	1,257,942.1	-0.307
Belarus	7,051.2	39,064.9	-0.694	11,736.9	38,589.3	-0.534
Kazakhstan	4,928.2	4,044.6	0.098	9,766.8	3,692.4	0.451
Kirgizistan	1,763.8	88.8	0.904	970.5	300.2	0.528
CIC and other countries	24,056.4	131,381.2	-0.690	30,188.0	190,403.6	-0.726
<i>Including</i>						
Ukraine	10,193.5	115,529.1	-0.838	18,255.8	153,629.9	-0.788
Turkmenistan	6,038.1	10,217.7	-0.257	3,093.4	27,468.0	-0.798
Uzbekistan	2,284.0	1,399.9	0.240	2,440.2	2,562.5	-0.024
Other countries	5,540.8	4,234.5	0.134	6,398.6	6,743.2	-0.026
EU countries	633,757.3	903,807.4	-0.176	683,847.0	1,146,227.3	-0.253
<i>Including</i>						
Austria	1,943.1	20,974.3	-0.830	6,370.5	24,608.3	-0.589
Belgium	45,785.2	43,311.5	0.028	49,202.2	39,445.9	0.110
Bulgaria	282,332.3	39,966.8	0.752	215,270.5	43,771.6	0.662
Dania	735.1	5,546.8	-0.766	1,815.7	7,177.9	-0.596
Finland	1,777.0	23,730.8	-0.861	271.1	33,155.9	-0.984
France	4,740.3	73,539.0	-0.879	8,625.3	110,154.4	-0.855
Germany	133,128.4	201,151.1	-0.203	136,079.3	291,914.0	-0.364
Greece	193.5	48,963.9	-0.992	271.5	64,623.0	-0.992
Hungaria	2,184.3	12,879.3	-0.710	678.9	16,370.1	-0.920
Italy	43,284.8	158,025.1	-0.570	49,877.3	182,623.9	-0.571
Poland	7,947.7	49,302.2	-0.722	8,307.4	43,997.2	-0.682
Romania	3,542.9	8,946.8	-0.433	54,937.3	14,363.9	0.585
The Netherlands	88,605.0	32,911.7	0.458	132,356.2	55,869.5	0.406
United Kingdom	4,937.7	34,720.7	-0.751	7,636.2	39,183.8	-0.674
Spain	1,715.6	35,216.9	-0.907	393.9	36,842.0	-0.979
Cyprus	123.0	1,521.3	-0.850	24.6	692.4	-0.931
Czech Republic	2,589.7	26,749.0	-0.823	2,903.2	40,016.7	-0.865

1	2	3	4	5	6	7
Lithuania	1,931.0	5,602.0	-0.487	2,012.9	6,377.6	-0.520
Slovenia	106.5	9,070.9	-0.977	399.3	9,379.7	-0.918
Sweeden	796.1	28,593.3	-0.946	367.9	28,516.5	-0.975
EU other countries	5,358.0	43,084.0	-0.779	6,045.8	57,143.0	-0.809
Other countries	1,008,884.5	1,845,445.0	-0.293	1,008,923.9	2,326,072.3	-0.395
<i>Including</i>						
Republic of Korea	1,807.0	22,069.8	-0.849	357.6	35,078.9	-0.980
United States	66,187.5	133,446.1	-0.337	47,675.2	178,392.3	-0.578
United Arabic Emirates	102,206.8	96,458.4	0.029	73,826.0	105,833.0	-0.178
Iran Islamic Republic	84,123.2	174,698.2	-0.350	94,203.6	269,417.3	-0.482
Turkey	913.3	222,920.8	-0.992	2,527.7	252,682.1	-0.980
Switzerland	261,389.3	96,446.6	0.461	336,378.2	128,793.4	0.446
China	118,529.4	477,701.5	-0.602	107,222.4	663,855.5	-0.722
Brazil	6.3	62,571.4	-1.000	75.2	61,728.6	-0.998
Japan	366.1	81,021.2	-0.991	375.4	99,060.6	-0.992
Iraq	117,449.3	201.9	0.997	150,638.0	4,959.9	0.936
Thailand	8,998.7	22,416.2	-0.427	788.1	22,860.7	-0.933
Canada	14,994.8	76,572.1	-0.672	33,233.7	30,081.1	0.050
Georgia	152,892.5	88,023.7	0.269	68,696.2	70,105.8	-0.010
Other countries	79,020.3	290,897.1	-0.573	92,926.6	403,223.1	-0.625

Source by The social-economic situation in Armenia in 2018 January-December, Yerevan, RA, 2019, p. 128-129

Conclusion

The research shows that the foreign trade turnover between the South Caucasus countries is «weak» and needs to be substantially activated which will contribute to the deepening of economic integration between other countries and the increase of rates of economic growth. Especially for Armenia and Artsakh the main regional way is export of goods and services which will significantly improve the payment balances of the countries.

In terms of enhancing the effectiveness of regional cooperation, it is important to identify and apply the comparative advantages of each country which can lead to both bilateral and multilateral outcomes. From this point of view, it is particularly important to identify and rank the comparative advantages of the foreign trade turnover of the economies of Armenia and Artsakh by product groups and rank them as priorities of development.

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ՀԱՐԱՎԱՅԻՆ ԿՈՎԿԱՍԻ ՏԱՐԱԾԱՇՐՋԱՆԻ, ՀԱՅԱՍՏԱՆԻ ԵՎ ԱՐՑԱԽԻ ՏՆՏԵՍԱԿԱՆ ՀԱՄԱԳՈՐԾԱԿՑՈՒԹՅԱՆ ՏԵՍԱԿԱՆԸ

Ա.Խ. Մարկոսյան^{1,2}

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Ներկայումս Երկիր մոլորակի տնտեսական տարածքը բաժանված է տարբեր տնտեսական-քաղաքական միությունների միջև: Պայքարը տարածքի յուրաքանչյուր քառակուսի մետրի համար այնպես է սրվել, որ կարելի է համոզված պնդել, որ յուրաքանչյուր քառակուսի մետրը «զբաղված» է կամ օգտագործվում է այդ միությունների կողմից: Ավելին բանը հասել է նրան, որ պայքարը գերտերությունների միջև ծավալվել է երկրագնդի բևեռների համար: Օրինակ Հյուսիսային բևեռի տնտեսական ներուժը գնահատվում է ավելի քան 30 տրիլիոն ԱՄՆ դոլար: Առաջիկա տարիներին տնտեսական միությունների միջև միաձուլումների և միացումների գործընթացը ընթանալու է նոր արագությամբ: Հարավային Կովկասի տարածաշրջանում նույնպես ընթանում են տնտեսական ինտեգրման և գիտատեխնիկական առաջընթացի խորացման և համագործակցության գործընթաց, որը այս կամ այն կերպ առնչվում է տարածաշրջանի 3 (Հայաստան, Վրաստան, Ադրբեջան) երկրների, այնպես էլ նրանց միջև տեղի ունեցող տնտեսական կապերի ու փոխհարաբերությունների: Հատկապես Հայաստանի Հանրապետության և Արցախի Հանրապետության համար տնտեսական կապերի արդյունավետության բարձրացումը և դրանց հիմքում համեմատական առավելությունների տեսության կիրառումը ունի բացառիկ կենսական նշանակություն տնտեսական աճի ավելի բարձր տեմպերի ապահովման և բնակչության կենսամակարդակի նշանակալի բարձրացման համար: Նման պայմաններում էական է դառնում նաև տնտեսական գործընկերության նոր ուղղությունների մշակումը և դրանց իրականացումը, որոնք նոր հորիցոններ կբացեն Հայաստանի և Արցախի սոցալ-տնտեսական զարգացման համար:

Բանալի բառեր. համախառը ներքին արդյունք, արտաքին առևտրաշրջանառություն, արտահանում, ներմուծում, համեմատական առավելությունների գործակից, զարգացման հիմնական ուղղություններ:

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ВИДЕНИЕ ЭКОНОМИЧЕСКОГО СОТРУДНИЧЕСТВА НА ЮЖНОМ КАВКАЗЕ, В АРМЕНИИ И РЕСПУБЛИКЕ АРЦАХ

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На нынешнем этапе развития экономическое пространство мира разделено между различными экономико-политическими объединениями. Борьба за каждый квадратный метр площади настолько обострилась, что можно утверждать о том, что каждый квадратный метр "занят" или используется этими объединениями. Более того, борьба между сверхдержавами уже

ведется за господство над полюсами Земли. Например, экономический потенциал Северного полюса оценивается более чем в 30 триллионов долларов США. В ближайшие годы процесс слияний и поглощений между экономическими объединениями усилится. Регион Южного Кавказа также переживает процесс экономической интеграции и углубления научно-технического прогресса, и в этот процесс так или иначе вовлечены три страны региона (Армения, Грузия, Азербайджан) с присущими им экономическими связями и схемами взаимодействия. Увеличение эффективности экономических связей между Республикой Армения и Республикой Арцах, основанной на реализации теории сравнительных преимуществ имеет важное значение для обеспечения более высоких темпов экономического роста и значительного повышения уровня жизни населения. На первый план выходит необходимость разработки и реализации новых направлений экономического партнерства, которые расширят возможности социально-экономического развития Армении и Арцаха.

Ключевые слова: валовой внутренний продукт, внешнеторговый оборот, экспорт, импорт, коэффициент сравнительного преимущества, основные направления развития.

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