

### **The third challenge is a menace of a global food security**

The food supply security is a system of measures over the non-admission of damage from internal and external threats on provision of population with foodstuffs. The solution of the food safety problems to a large extent is provided by the development of a food sphere. The food sphere of national economy of the Republic of Kazakhstan forms the primary food resources in the country. The products, which refer to essential, associated with the satisfaction of every person's daily living needs, are created there. And beside that the food sphere is treated as an area of employment for a large part of population of Kazakhstan, which allows the citizens earn the means of reproduction and life necessities for themselves and families.

Under current conditions the food sphere significance is not limited by the necessity of provision of people with the relevant products. The problems of a food safety on a world level, which are generated by the limitation of a food production, its shortage for a part of population worldwide, what not infrequently becomes the cause of hunger and immiserization, low level of consumption are solved here. Its scope is quite considerable, according to the World Bank data, almost the half of planet population lives on less than 2 USD per day, the fifth part of population spends even less than 1 dollar per day.

The potential of a food safety provision is created in response to potential threats of a food crisis, arising in a global world and particularly in the under-developed countries, in the military conflicts points, in cases of natural and economic disasters, social and economic crisis, etc. In the stated cases the food sphere of our country as one of the participants of food safety the formed by the world community transfers to the mutual funds the part of its food supplies, primarily the grain. Therethrough the food sphere of the Republic of Kazakhstan in its present form becomes the composite member of provision and solution of the global economic system problems.

The food sphere of a national economy is a traditional area for the labor and facilities application. It is conditioned by the presence of potential, permitting to provide its operational behavior. First of all, the considerable part of population lives in rural localities and, certainly it is involved in the production of agricultural products, which are getting to industrial processing and consumer market for the population needs satisfaction. In such a manner, the given sphere covers the agricultural production, associated with creation of plant and cattle breeding products, which is directly destined for consumption by population, as also for the industrial processing and receiving of food production. Hence, it follows that the food sphere includes the process industry, wherein the food commodities coming to the consumer market are produced. The last holds that the food sphere also affects the area of a relevant production realization. By that it is possible to say that it also co-opts the consumer market in a part of handling of operations of purchase and sale of food products and services for the subsequent use.

Since the market relations beginning the food sphere of the Republic of Kazakhstan has undergone a wide range of changes which have left its mark on the scope, production pattern, supply and demand situation at the domestic market, to supply formation at the expense of goods of Kazakhstani and import production, to the price setting for the food products and many other things. Primarily, it is recognized that the scope and volumes of relevant production has been significantly changed sideways decrease. In large measure this may be due to that the basic parameters of potential resources of the food sphere development, generated by the transformations, including the private ownership occurrence, have changed. Consequently the land resources were withdrawn out of agriculture, what had led to its reduction. The small agricultural producers, farm enterprises and individual farmers have replaced the large agricultural producers, who were the agricultural raw materials suppliers for the processing.

Along with that the food sphere has lost significant on a scale part of processing capacity, which have operated before in forms of large meat cutting plants, milk processing plants, etc.

The viability of branches and scopes of activities, realizing the manufacture of food products and providing it to consumers, is determined by the public administration concernment in the food sphere development. That is why from the foreign experience it is evident that the creation of conditions of these economy sectors preferential treatment became the special care and attention from the regulating authorities of state management. For example, almost in all developed countries the agricultural production relates to that area, which is paid such attention.

The public funds are put up in to it for the purpose of assistance rendering to producers, their incitement and thereby provide the further participation in the process of production of the food outputs, its storage, processing and realization to the wholesale and retail purchases with subsequent provision to consumers. In many countries exists and operates the mechanism of allocating investment support, provision of extra-budgetary resources by the state for development of a food sphere and sectors.

Such careful attention is conditioned by the reason that the understanding of a necessity for implementation of these measures is set in the world. These measures include those for the provision of a food safety problem, growing out of the problems of single country and acquiring the status of a global concern, from the solution of which depend the destinies and future of the commonwealth, which intensely suffering a shortage of food stuff. Not coincidentally, in many publications on the research of the food provision problems its significance in conjunction with its dependence and influence on economic security is underlined and the importance and imperative necessity of further development and expansion of a food sphere, its efficiency and effectiveness rise are pointed out.

The sustainable development of a food sphere and its reasonable price determination, permitting to this sphere operate successfully and expand in accordance with demand and supply of consumer market, supply the needs of native population and herewith possess the resources for the establishment of the global food safety funds became the matter of closer attention and concern sideways the government control of national system and global structures. Only such approach to the given sphere even in conditions of global unsteadiness is able to provide its productive and successful development in the post-crisis period, which will bring the new wave of upturn in demand for consumer products, and hereupon the necessity of its market supply expansion will appear.

The acceptable settlement of a monetary question for the production of a food sphere of national economy creates the conditions for the realization of its potential, which will permit to carry out the delivery of food products of Kazakhstani production on the foreign markets of CIS countries and far abroad. The native producers have an experience of such delivery. In the period of administrative system of economy management operation the Kazakhstani food products were taken to a place to other republics. Under current conditions such mutual relations are preserved and even slightly expanded, since the range of commercial agents, with whom the Kazakhstani producers-suppliers of food products have the potential business export-import contacts, increases significantly. In particular, they can develop towards the expansion of export deliveries of delicatessen products and trade with the far-abroad countries.

The active interaction at the external merchandise markets of food products and participation in its consumer offer depends largely on the working out of the questions of advertisement, marketing of Kazakhstani production, relating to the category of high-quality and entirely competitive goods, such as, for example, the delicatessen food production. Such solution of a

question became the real source of the value added obtaining, since the similar products are realized for high market prices abroad, and the “price-quality” correlation may be the good incitement for the strengthening of the qualitative parameters of the offered goods and services.

At the present time for the products, which possess the high qualitative characteristics, concerning the ecological parameters, for so called ecologically clean production in the entire world and in particular in developed countries it is accepted to set the top prices. Against the background of appearing on their shop boards and in our trade relatively recently in a large variety and quantity of various modified production the Kazakhstani production with the evaluation ecofriendly upon the quality is traditional, producible according to ancient recipes and technologies, approved by many previous years. This makes it fully internationally competitive and attractive for the consumers, who track out and rigidly follow the rule of using for meal of production with the “ecologically clean” evaluation, and there are a lot of such consumers and their number increases, therefore, the demand for this product grows up. The given circumstance is needed to be taken into consideration by Kazakhstani producers of a food production for the purposes of its proficient using in advertisement and promoting of own products on the foreign market. Thereby the Kazakhstani production of a food sphere of national economy, possessing the parameters of quality, environmental friendless and marketability may occupy the rightful place on the other countries niches and become the conductor in the implementation of aspirations and well-founded ambitions of domestic producers-suppliers of high quality goods. Accordingly the costs, associated with the output of such production, at its proficient promoting on the foreign markets will recouped, since the price parameters of ecological production on these markets are immeasurable high in comparison with the production, which does not have the environmental friendless mark and occupying the major part of trade shop boards of the Western-European countries, for instance.

All marked allows erect a proposition about the necessity of the price formation regulation for the food products, which should be carried out in the corridor, which respect the interests of producers and consumers of domestic foodstuff. Therefore, in the food prices, on which the producers realize the products, should include its expenses and accretions, providing the reimbursement of expenses and concernment in promoting and development of this type activity. At the same time it needs to the product prices are take into account the consumer budget amount and its real possibilities on the payout for the foodstuff acquisition.

In conditions of market uncertainty the system of the government measures, permissive to negotiate the arising complicacies of period and stay afloat to SME, was elaborated. Apparently, the Kazakhstani producers of a food productions and its suppliers perhaps for so long will need the post-crisis period to gain forces for the stable growth and positions strengthening on consumer market inland and far abroad. All the more so relatively soon the domestic production of foodstuff position will suffer the new trials, connected to the entry of our country in to the World Trade Organization. This will require the legally competent participation of Kazakhstani side in the process of cooperation at the WTO space, from the whole domestic entrepreneurship the observing of provisions, accepted by this organizations, which will reveal the borders for the broad promotion of import production and thereby will put the heat to domestic producers, who are not ready for the more severe requirements of competition.

For the Republic of Kazakhstan, possessing the huge potential for the development of a food sphere of national economy, for instance, on labor resources, land resources, the achievement of positions for the self-dependence of its population by the grocery products and services is inadequate, since there are the real possibilities of the given sphere expansion and dynamic promoting of Kazakhstani production not only on the internal markets, but beyond Kazakhstan. In this regard the intensive need of the national economy management improvement using the

modern approaches of strategic management arises in the forthcoming period, when the mechanisms of crisis management with the shifting to the conditions of a post-crisis development are to be strengthened, what requires the post-crisis management system inclusion.

To our opinion, the significant side, connected to the organizational deformations of a grocer sphere of national economy of the Republic of Kazakhstan is that the positions of a sector, providing the product delivery, as well as those structures, wherein the acts of purchase and sale are carried out and realized, including the wholesale and retail trade, are strengthening in its structural constituents. All this has led to the shifts in emphasis in a food sphere, wherein the producers have to squeeze up in the range of those, with whom the development prospects of a given area are connected. Anyway the offtake positions turned to be more advantageous in comparison with the position of producers and particularly agricultural producers, who need the close-in support of public administration. We note that in the entire world the given sector of economy is on the special custody of state, which forms the system of regulative measures, forming the favorable conditions of its operation and development. Provided that not always is connected with the economic benefits and production operation effectiveness of this economy sector.

All the pointed explains, why the food sphere is relegated to the area of the national economy development priorities, what requires the greater attention to managerial system in a post-crisis period, which follows the crisis years; and the new attitude of the food sphere, its management, organization, mechanisms, adapted to the new conditions will be necessary for the purpose of forming the well-founded system of management in full accordance with the development objectives in the present period, consisting of necessary elements and permitting it to operate efficiently and accomplish its mission.

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