

Economics and Production Organization

Structure of national economy

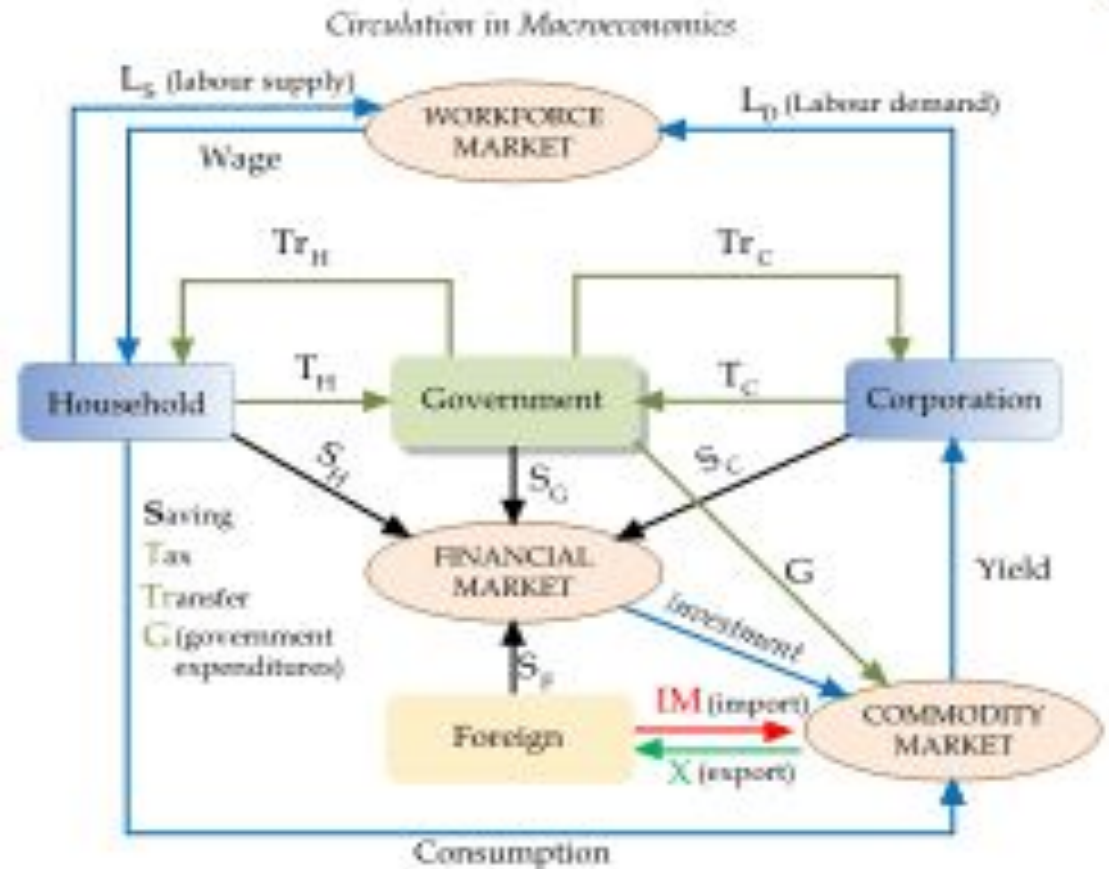


Nature of national economy

National economy is a system which deals with the performance, structure, and behavior of a country's economy as a whole

National economy as a system

- Levels
- Participants



Levels

Microeconomics

Mezoeconomics

Macroeconomics

International economics

Microeconomics and Mezo-economics

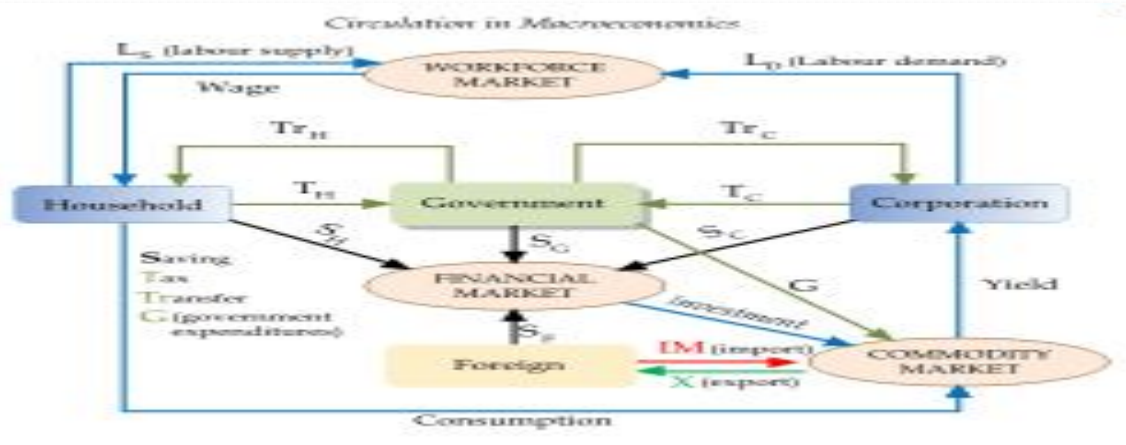
Microeconomics looks at interactions through individual markets, given scarcity and government regulation.

Mezo-economics looks at interactions through companies of one industry

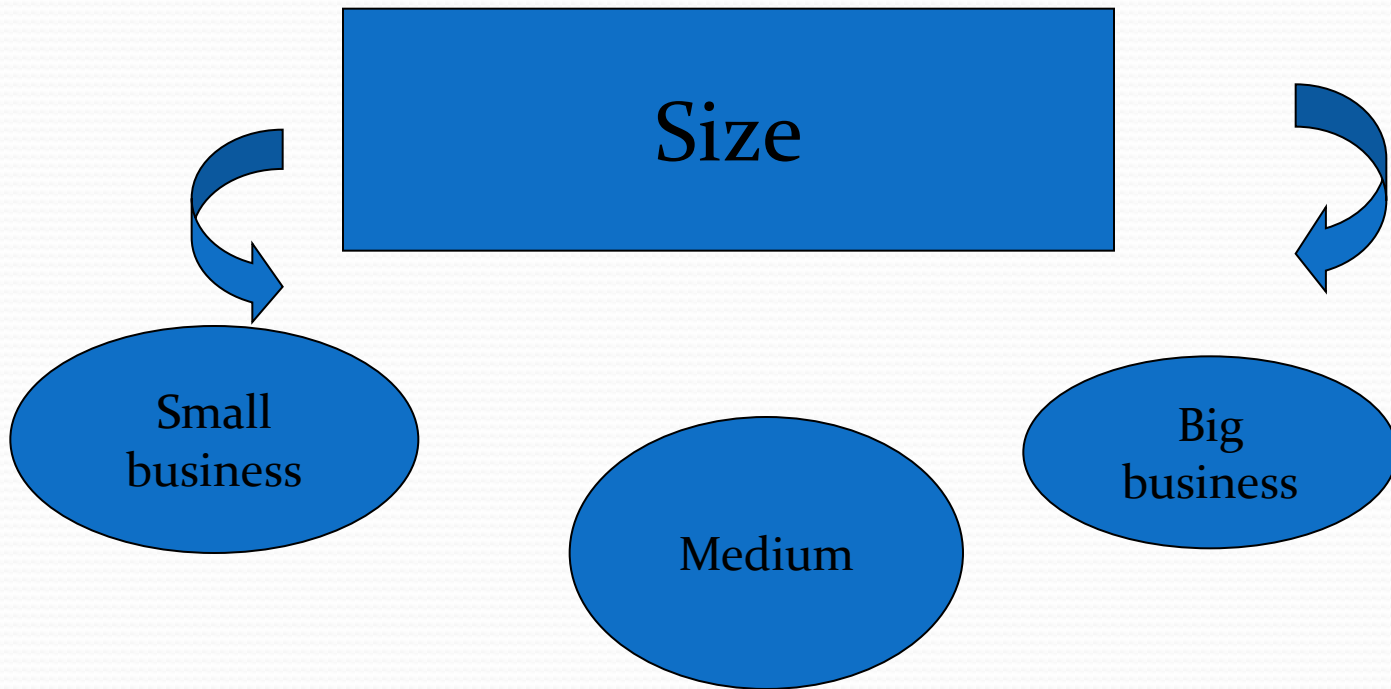
Classification of industries

Macroeconomics

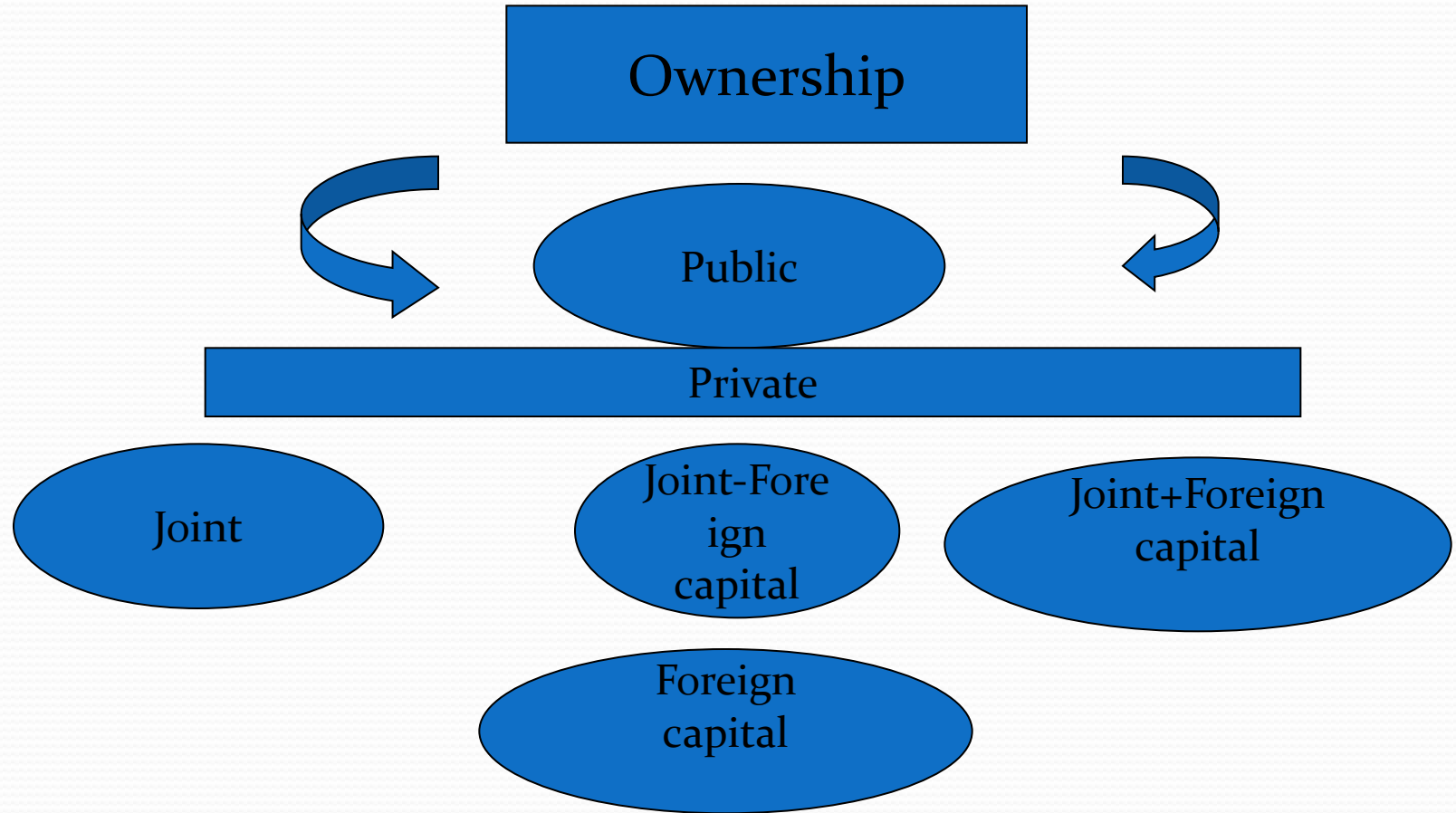
Macroeconomics examines the economy as a whole to explain broad aggregates and their interactions .



Participants



Participants



Elements

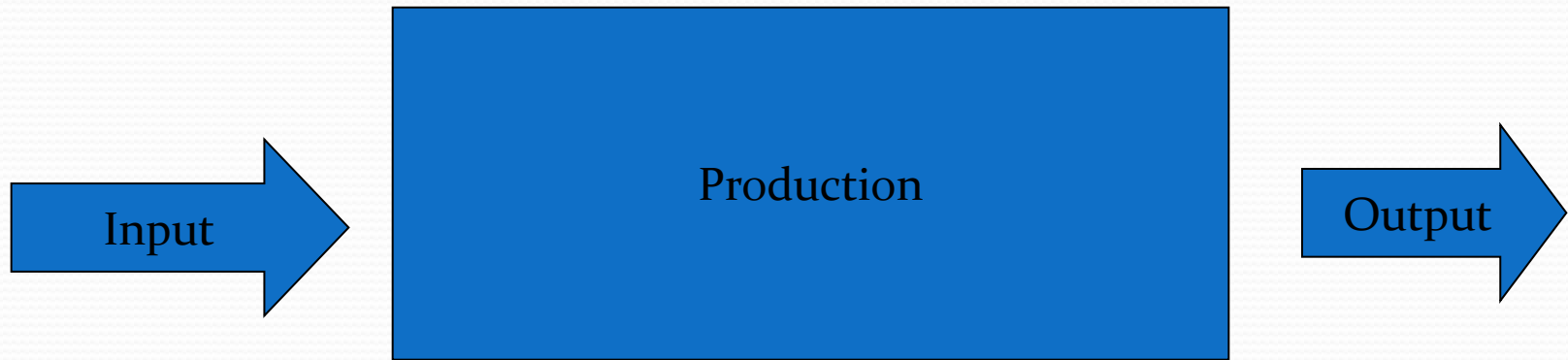
Production

● Exchange

Consumption

Distribution

Production



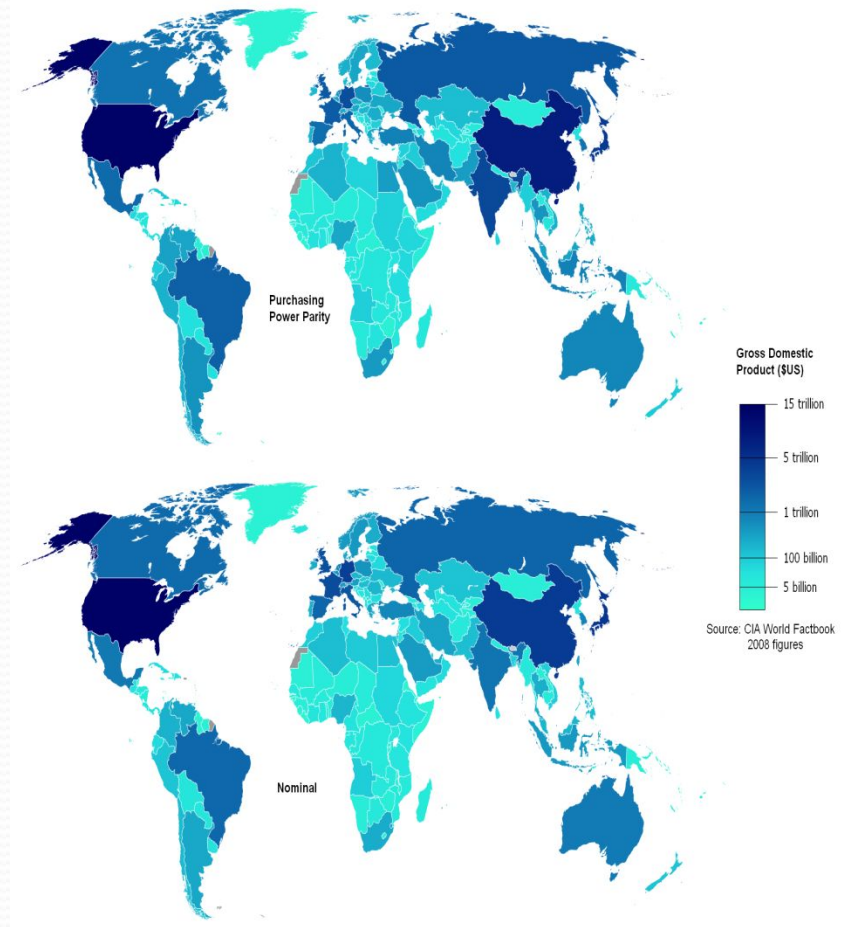
Nature

National economy tells about:

- the behavior and decision-making of entire economies
- aggregated indicators such as
GDP,
unemployment rates,
and price indices to understand how the whole economy
functions.

Gross Domestic Product

- The gross domestic product (GDP) or gross domestic income (GDI) is a basic measure of a country's economic performance and is the market value of all final goods and services made within the borders of a nation in a year



Value added approach

- The value of sales of goods - purchase of intermediate goods to produce the goods sold.



Expenditure method

- GDP = private consumption + gross investment + government spending + (exports – imports)
- $GDP = C + I + G + (X - M)$.

GDP income account

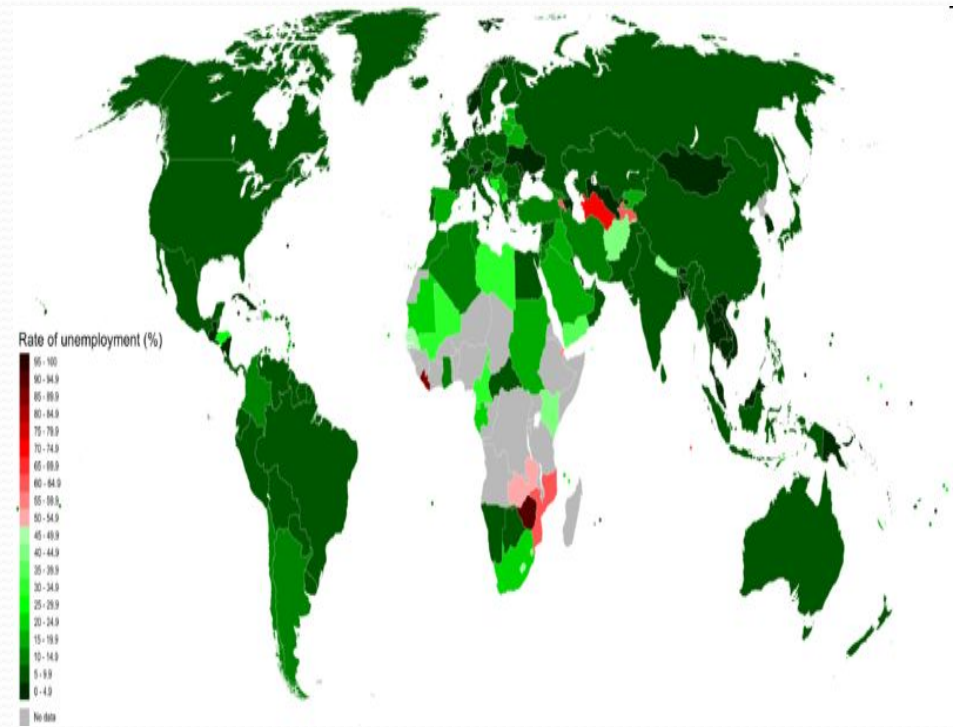
- $GDP = R + I + P + SA + W$

- where R : rents
- I : interests
- P : profits
- SA : statistical adjustments (corporate income taxes, dividends, undistributed corporate profits)
- W : wages

Unemployment

- Unemployment occurs when a person is available to work and seeking work but currently without work

World map of countries by rate of unemployment



Exports and Imports

- $FTT = X + M$
- $NX = M - X$

Measurement

- The unemployment rate is expressed as a percentage, and is calculated as follows:

$$U_r = U_w / TLF$$

- U_r -
- U_w
- TLF

Price

- Price in economics and business is the result of an exchange and from that trade we assign a numerical *monetary value* to a good, service or asset.

Price and inflation

- Price in economics and business is the result of an exchange and from that trade we assign a numerical *monetary value* to a good, service or asset.
- In economics, inflation is a rise in the general level of prices of goods and services in an economy over a period of time
- A **consumer price index** (CPI) measures changes in the price level of consumer goods and services purchased by households

Kazakhstan

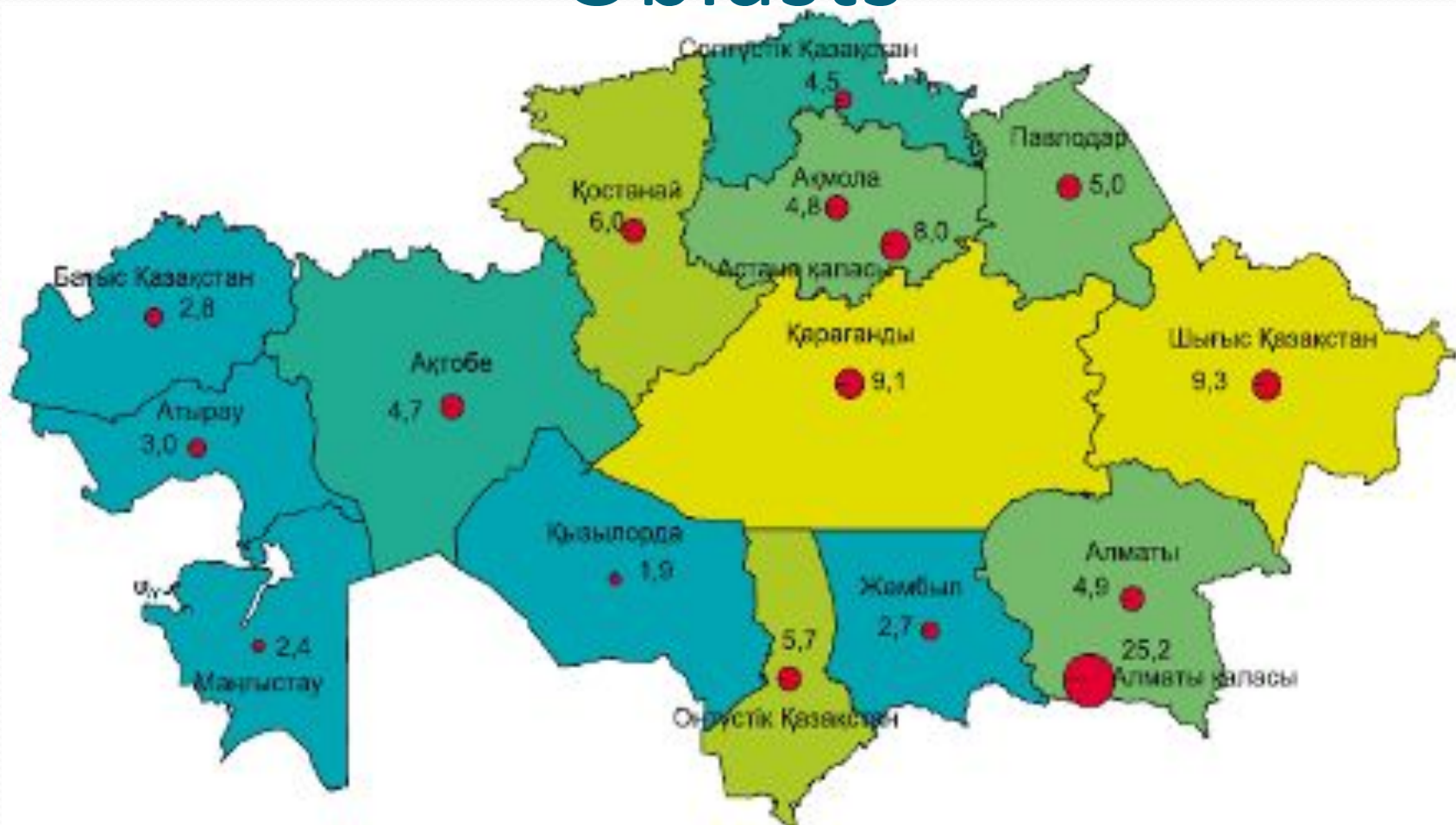
Geographically the largest of the former Soviet republics, excluding Russia, possesses enormous fossil fuel reserves and plentiful supplies of other minerals and metals, such as uranium, copper, and zinc.



Country Profile



Oblasts





The Atyrau Oblast

is the main oil-producing region in Kazakhstan, and some 40 fields are under development there.

This oblast is the operating area for:

- TengizChevrOil JV;
- Kazakhoil-Emba JSC (one of the two producing companies in the KazMunayGas National Oil Company);
- Kazakhoil-Telf;
- Sazankurak JV.



The Mangistau Oblast

is the oil-producing region in Kazakhstan with the longest history.

This area accounts for approximately three quarters of the total oil ever produced in the Republic.



Karachaganak Petroleum Operating

is the leading oil producer in the West-Kazakhstan Oblast;

this company is the operator of the project to develop the Karachaganak oil and gas condensate field.



The Aktyubinsk Oblast

- is the operating area for Aktobemunaigaz JSC, which is developing the Zhanazhol and Keniyak fields,
- and for Kazakhturkmunai JV and Kazakhoil-Aktobe LLC.



The Kzyl-Orda Oblast.

- Hurricane Kumkol Munai JSC and its two JVs, Turgai Petroleum and Kakgermunai, produce the largest share of oil in the Kzyl-Orda Oblast.
- These enterprises are developing fields of the Kumkol group and a number of other fields in the South Turgai basin.



Foreign equity

- Kazakhstan is the largest recipient of foreign investments not only in the CIS, but among all East European countries too. All major oil-producing companies in Kazakhstan have foreign equity.
- This reflects **the Kazakh authorities' desire** 1) to use foreign capital to the maximum possible extent for development of the industry, 2) and to bring in the extensive expertise and technologies of the world's leading oil companies in its quest to optimize the use of non-renewable subsoil resources.
- All in all, foreign companies have invested US \$5 billion in the oil and gas industry of Kazakhstan since 1991.

Refining

Kazakhstan has three refineries with the combined capacity of 370 thousand bbl per day:

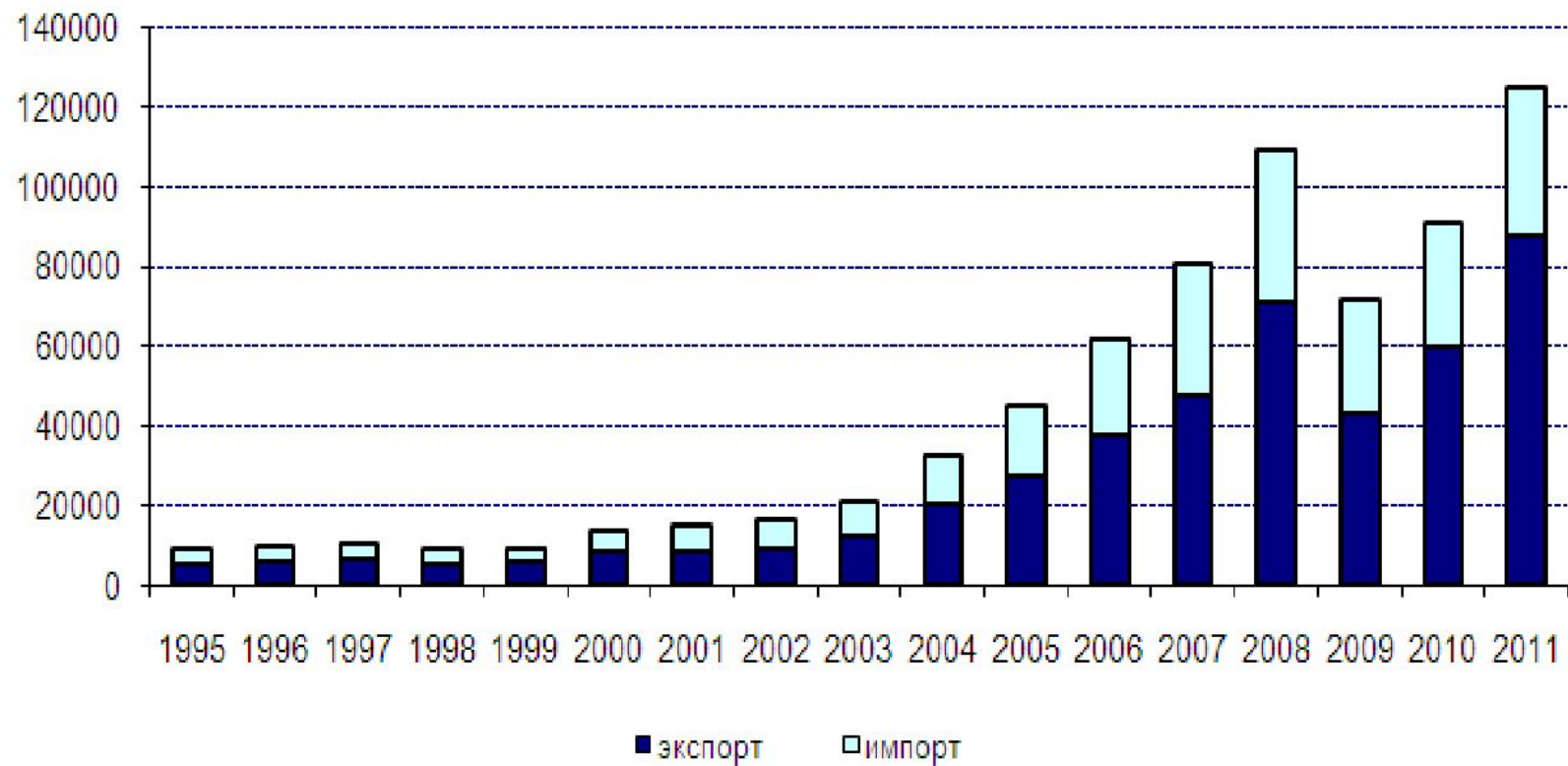
- Atyrau refinery;
- Pavlodar refinery;
- Shimkentnefteorgsintez

1 barrel = 117.347765 литра

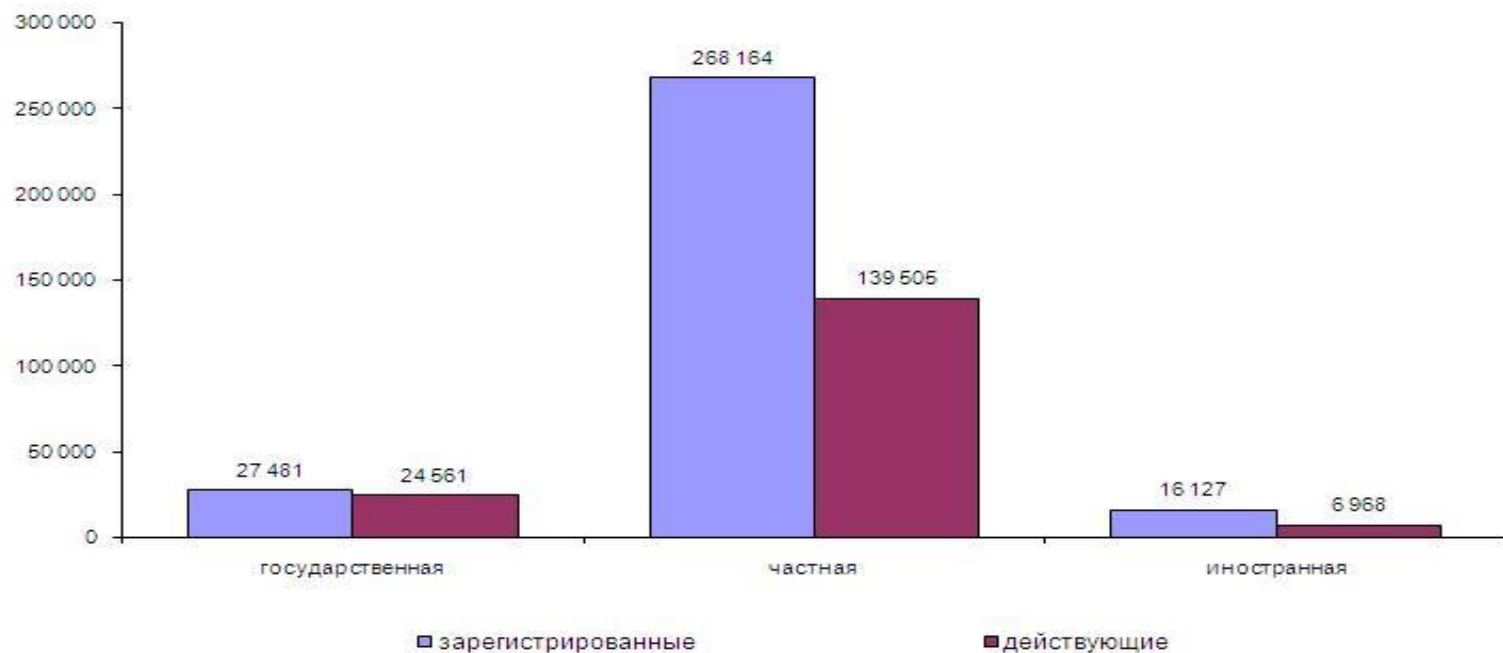


Экспорт и импорт Республики Казахстан за 1995-2011 годы

млн. долларов США

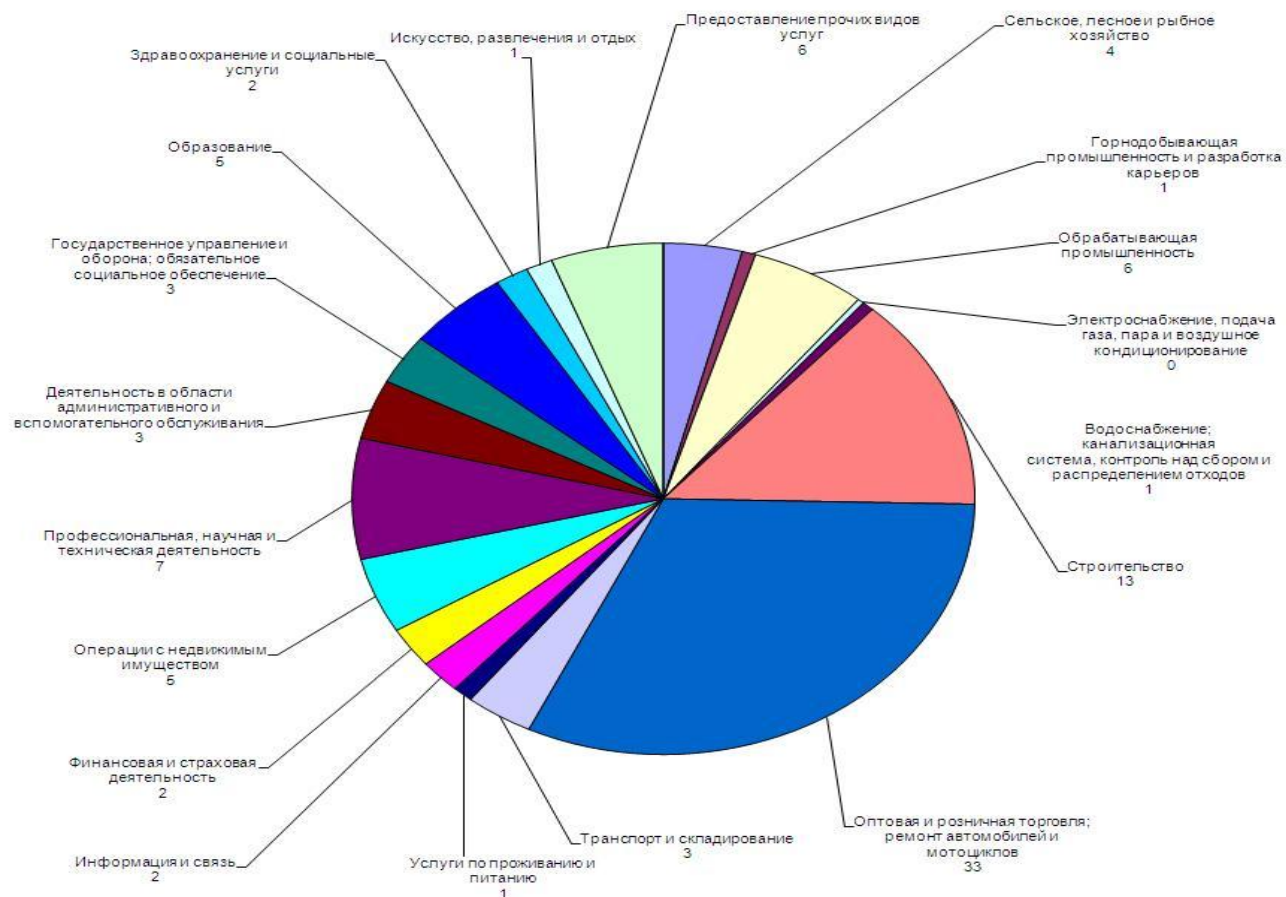


Зарегистрированные юридические лица по формам собственности на 1 августа 2012 года



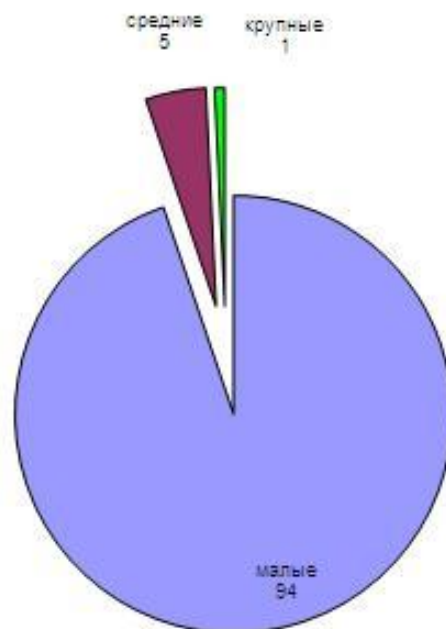
Структура зарегистрированных юридических лиц по отраслям экономики на 1 августа 2012 года

в процентах



Структура зарегистрированных юридических лиц по размерности на 1 августа 2012 года

в процентах



"Dutch disease"

- The term "Dutch disease" originates from a crisis in the Netherlands in the 1960s that resulted from discoveries of vast natural gas deposits in the North Sea.
- The newfound wealth caused the Dutch guilder to rise, making exports of all non-oil products less competitive on the world market.

