

The first time in EU history any country decided to leave the organization and having in mind how many crises took place in previous decade and how harmful they were it creates a precedent for the next state that would come to conclusion that being a part of such union is bringing more cons than pros.

Experts throughout the world divide to different points of view on what will happen after Brexit, what will happen to EU and would it end their further integration. It is impossible to say that difference in opinions is linked with difference of origin of the expert since experts from different regions cannot come to agreement on how Brexit would impact both sides of the event. But it is possible to say that most of the world experts tend to claim that EU will face some problems caused by Brexit but after some time of healing it will be rehabilitated but this will depend only on the Paris-Berlin alliance and cooperative work.

The further integration of EU is still a topic of discussion for political scientists and the most probable impact is that in the next decade EU will not try to evolve any further but stay in the current position and the inter-dependency between member-states will stay where it is now. This is caused by many events such as Euro-crisis which showed that monetary system of the EU is still vulnerable and unstable, the Migrant crisis demonstrated the disadvantages of open borders and no passport control between states and some countries even considered the idea to close the borders with other Schengen Zone countries. Brexit's influence accumulated all of the impacts of previous crises and symbolized the vulnerability of the EU such as disintegration when all the countries are able to leave at the first danger. In conclusion, it should be noted that Brexit is one of the most important events in the EU history and it is one of the most dangerous threats to the European integration.

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ECONOMIC ASPECTS OF RELATIONS BETWEEN KAZAKHSTAN AND THE EUROPEAN UNION

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After the collapse of the Soviet Union, the Republic of Kazakhstan almost immediately became the object of increased attention of a number of European countries, and then the entire European Union. Initially, the interests of Brussels and the capitals of leading European countries to Kazakhstan were related to global security issues: the nuclear weapons inherited by the Republic of Kazakhstan from the USSR and the voluntary renunciation of them.

Only later did energy issues come to the fore: the presence in Kazakhstan of significant reserves of hydrocarbons and uranium and, consequently, the possibility of their large-scale deliveries to Europe. In addition to this, the task of drawing Kazakhstan into the orbit of Western

influence has gradually become more important for the EU, given the strategic position of this country, which occupies an extensive geographical space in the center of Eurasia at the junction of Russia and China. In turn, Kazakhstan itself, after gaining independence, was also interested in rapprochement with Western states, including European ones. Moreover, the willingness of the Republic of Kazakhstan for closer interaction with the US and the EU remains, which is largely due to the multi-vector policy of Kazakhstan.

As a result, the mutual desire of the European Union and Kazakhstan for cooperation predetermined not only the high dynamics of European-Kazakh relations, but also the fact that the EU was firmly entrenched in Kazakhstan. Nevertheless, Brussels's ability to strengthen leverage over Nur-Sultan is still limited.

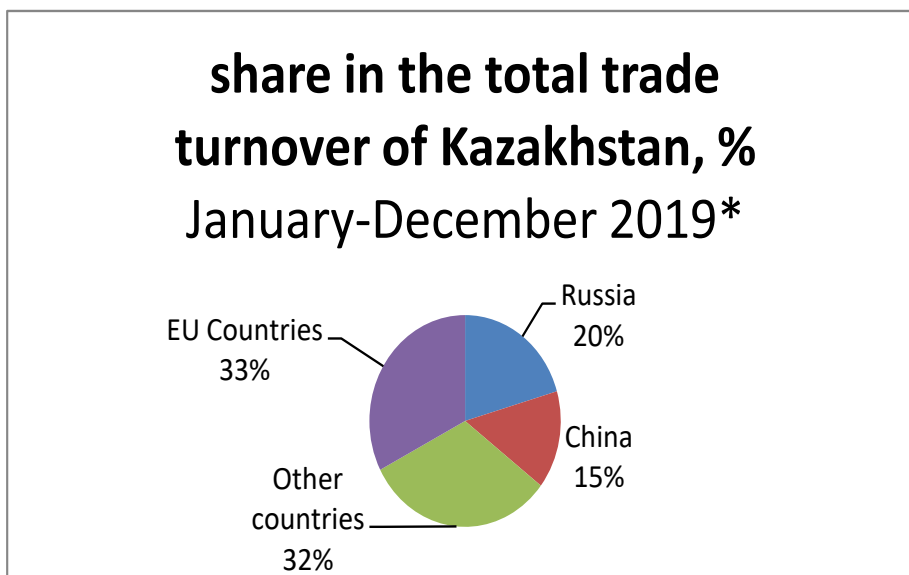
Considering Kazakhstan as a rather important supplier of energy resources, as well as some types of other raw materials, the European Union and European companies have occupied certain niches in a number of strategic sectors of the Kazakhstani economy.

It seems that the EU is most firmly entrenched in the financial segment of the economy of Kazakhstan, more than 50% of all accumulated foreign financial resources (mainly investments) in the economy of Kazakhstan are of European origin. It is significant that over the period 2000-2014, investments from the EU increased by about 10 times. Moreover, the bulk of finance from the European Union is concentrated mainly in the oil and gas and uranium sectors of the Kazakhstan economy. Oil supplies from Kazakhstan already reach about 18% of EU oil imports, and uranium supplies - 25% of French nuclear energy needs [1].

And the project activity of European companies is mainly associated with the development of the largest oil and gas fields (Kashagan, Karachaganak, Tengiz), as well as oil transportation (Tengiz-Novorossiysk pipeline) and uranium mining.

In general, companies from the EU control up to 40% of Kazakhstan's oil production and slightly less than 20% of uranium mined in Kazakhstan. At the same time, EU countries consume about 60% of oil produced in Kazakhstan and about 9% - uranium [2].

Moreover, the EU has established itself as a leading trade partner of Kazakhstan. Moreover, in recent years, there has been a trend of a gradual increase in the volume of European-Kazakhstan trade (at least in monetary terms). So, if in 2009 the trade turnover amounted to approximately \$ 29 billion, then in 2014 it increased by almost 2 times and reached \$ 54 billion (about 50% of the trade turnover of the Republic of Kazakhstan and about 0.7% of the trade turnover of the EU) [1].



Statistics of foreign trade by the Statistics committee of the Ministry of National Economy of the Republic of Kazakhstan [3]

In total, for the period 2000-2014, the European-Kazakh trade turnover increased by about 12-13 times, according to the results of 2019, occupying 33% of the share in the total trade turnover

of Kazakhstan. As a result, the European Union has become Kazakhstan's leading trading partner, ahead of Russia and China [3].

Along with the development of trade relations, the European Union emphasized the involvement of Kazakhstan in European infrastructure programs, which also influenced many of Nur-Sultan's strategic objectives in subsequent years. Since 1996, Kazakhstan has been participating in the INOGATE program (Interstate Oil and Gas Transportation to Europe, on the formation of energy infrastructure for the transportation of energy resources to Europe), which has already had a rather strong impact on Kazakhstan [1].

About two years after joining the INOGATE program, in 1998, Kazakhstan became a member of another EU-TRACECA program (Transport Corridor Europe - Caucasus - Asia, to create a transport corridor Europe-Caucasus-Asia.) This program not only influenced on the development of the transport industry of the Republic of Kazakhstan, but also played a rather important role in orienting Kazakhstani transport routes to the European direction [1].

It seems that the acceleration by Kazakhstan of the construction of transport infrastructure within the framework of the conceptual framework of the TRACECA program is largely due to the high interest of Nur-Sultan itself in the development of economic relations with the EU. This is due to both Kazakhstan's need for Western financial resources and technologies, and significant dependence on European oil markets, as well as (to a lesser extent) uranium. In 2014, oil supplies to Europe have already reached about 48 million tons, which corresponds to approximately 70% of Kazakhstan's oil exports. The main consumers of Kazakhstani oil are France, Italy, Belgium, Austria, Romania, the Netherlands and Switzerland. In turn, the supply of uranium to Europe amounted to about 2 thousand tons, or about 10% of the uranium export of Kazakhstan [1]. In addition to access to European markets, Kazakhstan is in dire need of investment and technology from the leading economies of the EU member states. The greatest dependence of Kazakhstan in the framework of the North Caspian project.

Despite the relatively high economic impact of the European Union on Kazakhstan, EU positions are subject to significant risks. The main one is the risk of external competition. In addition, Kazakhstan itself is trying to diversify its foreign economic relations, thereby contributing to the tightening of the struggle for commodity assets.

The EU's strongest rival is China, which is already crowding Western (including European) companies in Kazakhstan's oil and gas industry. If at the beginning of the new century the business structures of the United States and the European Union controlled over 70% of oil production in the Republic of Kazakhstan, in 2014 it was already slightly less than 50%. Conversely, China's influence in Kazakhstan's oil and gas industry has grown steadily. At present, Chinese companies control over 25% of oil production in Kazakhstan. [2].

Besides the factor of external competition, the EU's economic position in Kazakhstan is extremely vulnerable due to the fact that European attention is essentially focused exclusively on issues of oil production and transportation. If the largest hydrocarbon deposits (Tengiz and Karachaganak) enter the stage of decreasing production and / or failure of the North Caspian project, many companies of the EU member states are likely to leave Kazakhstan. Such a scenario would mean a cardinal weakening of European influence.

In turn, Kazakhstan itself, in terms of economics, focuses mainly on its major neighbors - Russia (the market for many types of agricultural products, electricity, uranium, coal, etc.) and China (the market for oil and uranium). Moreover, between Kazakhstan and Russia there is a fairly close economic interdependence, which is especially pronounced in the border areas of both countries. Moreover, Nur-Sultan, together with Moscow, participates in the processes of regional integration in the post-Soviet space, which is expressed primarily in the construction of the Eurasian Economic Union. All this objectively makes Russia a key economic partner of Kazakhstan.

As a result, although the EU still has a rather significant influence on the Republic of Kazakhstan, nevertheless, European economic positions here are still unstable. This is determined primarily by the lack of interdependence between the European Union and Kazakhstan. European business, by and large, is aimed only at the export of oil and uranium from Kazakhstan, as

evidenced by the almost complete commodity orientation of this country in trade with the EU. So in 2014, deliveries to the European Union included mainly raw materials, while the share of finished products did not exceed 2%. In turn, supplies from the European Union to Kazakhstan in the same year more than 80% consisted of finished products [4].

Considering that the EU's economic interest in Kazakhstan is actually limited only to oil and uranium, the prospects for European-Kazakh cooperation will be determined mainly by Europe's demand for these energy sources. Meanwhile, it is not at all a fact that in the future (especially in the long term) the European Union will need to supply oil and uranium from Kazakhstan.

On the one hand, the oil and gas companies of the EU member states may leave Kazakhstan if the Tengiz and Karachaganak fields are likely to enter the stage of declining production, as well as in case of failure of the North Caspian project. Moreover, relatively low oil prices contribute to all this, which make many oil production projects in Kazakhstan financially very costly and / or even unprofitable. On the other hand, the requirements of the European Union in Kazakhstan's uranium with a high degree of probability in the future may decrease. The fact is that the EU already has such large suppliers of uranium as Canada and Australia. In addition, the European states themselves most likely will not continue to build ambitious plans for the development of nuclear energy (mainly for safety reasons).

Thus, the loss, or at least a significant decrease in European interest in oil and uranium from Kazakhstan, which is likely in the long run, will lead to a further weakening of the economic leverage of the European Union on Kazakhstan [2].

It should be assumed that a steady increase in the EU's influence on Kazakhstan is possible only if the format of European-Kazakhstan economic relations changes dramatically. First of all, this requires the political will of Kazakhstan to overcome the status of the raw materials appendage of the European Union (as well as the status of the raw materials appendage of China). In addition, European business should begin to show interest in the development of the processing industries of the Kazakhstan economy.

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ТҮРКИЯ ЖӘНЕ ЕО: ЭКОНОМИКАЛЫҚ БАЙЛАНЫСТАРЫНЫҢ НЕГІЗГІ БАҒЫТТАРЫ

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Түркия мен Еуропа Осман империясы билік құрған кезден бастап, бүгінгі күнге дейін тығыз қарым-қатынаста келгенін жақсы білеміз. Бірақ та, қазіргі таңда Еуропаның саяси