



RESEARCH ARTICLE

"THE FIFTH WAY" OF NAZARBAYEV, AS A BASIS FOR A QUALITATIVE THEORY OF MONEY

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ABSTRACT

The application of the culturological approach allowed building a qualitative theory of money, which ensures the innovative development of the economies of the countries of the world. Using the model of social and political order, it becomes possible to correctly assess the indicators of the quality of national money. This opens the way for further development of methods for analyzing economic policy.

Key words:

Structure, Theory, Quality,
Scientific and technological potential,
Competition, Equilibrium.

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INTRODUCTION

Today, in the process of reproduction of the national economy, two types of capital interact: capital, in its form of money, and capital, in its form of commodity. In the historical plan, the technological structure of capital, in its form of commodity, as an instrument for analyzing the work of the real sector of the economy, was initially an independent status. Against this background, the fiscal policy of the fiscal system was gaining momentum. Approximately since the 1980s, the technological structure of capital, in its form of money, as an instrument for analyzing the work of the financial sector of the economy, has gained independent status, which gave impetus to the rapid development of monetary policy. Obviously, to assess the effectiveness of each technological structure, a theoretical basis has been worked out. Thus, the first of these is the theoretical basis of Keynesianism. To analyze the effectiveness of interaction between the real and financial sectors using the model built on its basis, three main national indicators are used:

- a) GDP for final use, which expresses the final product spent on consumption and accumulation;
- b) Real GDP, which expresses an increase in the physical volume of output;
- c) Nominal GDP - growth in output at market prices in the current year.

The second one is the basis of the quantitative theory of money. To analyze the effectiveness of interaction between the real and financial sectors based on the model built on its basis, the last two of the three above-mentioned indicators are used. In the theory of Keynesianism, a secondary role is played by capital, in its form of money supply in circulation, and in the quantitative theory of money - capital, in its form of commodity mass in circulation plays a secondary role. The theory of Keynesianism is focused on protecting the interests of the real sector, and the quantitative theory of money is for observing the interests of the financial sector of the economy. In the protection of narrow-departmental interests is their lack. Their disadvantages also include a macroeconomic approach, which serves as a platform for constructing these basic theories. As a result, a particularly alarming situation appears between the level of market prices of goods and services and the level of used material and ecological resources in the production process. Thus, both these theories allow the production of profits and value chains regardless of necessity of saving of material, natural and other types of local resources. Thus, a certain barrier is created on the way to the development of a green and other alternative energy-saving economy. The disadvantages of these theoretical approaches include the fact that in the practice of economic analysis and forecast, not two indicators are used, but three. The third indicator is the parity of the purchasing power of the national currency, which is determined by a special method. In fact, you can do without it, building a qualitative theory of money, which is based on a model of inter-industry balance of production of goods and services. In this case, the qualitative

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theory of money fully correlates with the theory of contracts developed by the Nobel Prize winners in 2016, Hart and Holmström. With its help, the index of relative prices of goods in constant national money is determined¹. To protect the interests of the national economy in their intercountry competition, as the world crisis of 2008 shows, new management tools are needed that are appropriate to the conditions of globalization of the world economy. So, in 2007 at the St. Petersburg Economic Forum the President of Kazakhstan N. Nazarbayev voiced the initiative to establish the Eurasian Club of Scientists, and in 2008 the first Astana Economic Forum (AEF) was held. Nowadays the AEF is a dialogue platform for the work of the Eurasian Club of Scientists, and for work of the megaproject G-Global since 2012.

In the article "The Fifth Way" in 2009, the President of Kazakhstan proposed to create a truly democratic world monetary and financial system that is capable of providing a transition "from old currency that provides an illusory valuation - to new tools that provide true value of goods and services"². These initiatives of the President of Kazakhstan proved to be in time and in demand. Thus, the article "The Fifth Way" shows that the sustainability of the development of the national economy is provided by three technological structures. They are:

- Technical and technological structure in the real sector of production of goods and services;
- Monetary and credit structure in the financial sector of the economy;
- Socio-political structure in the managerial sector of the national economy.

In general, the culturological approach to constructing a qualitative theory of money, proposed in the article "The Fifth Way," more broadly reveals the economic content of the international system of national accounts. Especially valuable, for assessing the quality of money is the level of development of an innovative culture of socio-political structure. The level of its development is adequately expressed through nominal GDP, which is used for consumption and accumulation as the final result of the country's work, and serves as a criterion for assessing the quality indicators of the technical - technological and monetary structures of the economy. Thus, according to the theoretical approach proposed in the article "The Fifth Way", in order to ensure the transition from the illusory cost of goods and services to new instruments of the true evaluation of goods and services of any country in the world, three technological structures that serve as the theoretical basis for the valuation model Quality of national money are needed. To prove this conclusion, a hypothesis is formulated. If it is proved it will allow us to estimate the true value of goods and services

To prove this conclusion, a hypothesis is formulated. If it is proved it will allow us to estimate the true value of goods and services: "Since the essence of the global crisis and the ways out of it lies in a tangle of insoluble contradictions between the pace and levels of development of the technical- technological,

*monetary and socio-political structures of each country of the world as a whole, the clear distinction of these three "floors" is critically important for understanding its essence"*³.

Thus, the task is to build a model of a qualitative theory of money, which will ensure the unity of qualitative and quantitative indices of economic growth. The model should be adequate to the stages of innovative development of the technical-technological, monetary, financial and socio-political structures of the national economy of each country of the world as a whole, in accordance with the above hypothesis. Two operators are used to solve this task. One of them determines the function of the scientific and technological potential of the country, the other - the function of the true value of goods and services. Evaluation of the contribution of scientific and technological potential to the quality of economic management is provided in accordance with the principle of capital reversibility in its form of money, and capital in its form of goods in the model of inter branch balance:

The product of the direct labor intensity of production in man-hours of working time and the total costs of producing goods and services in money terms is equal to the product of the total expenditure of labor, in man-hours of working time and the generated annual income, in monetary terms.

The main result of applying the principle of reversibility is the definition of the function of the scientific and technological potential of the country depending on the effective use of material and ecological resources, whereas the inverse function of the scientific and technological potential expresses the level of clustering of the market of goods and services that expresses the essence of the synergistic effect. Here, the function of the scientific and technological potential is determined at the interface between macro and microeconomics through the productivity indicator of current material costs for the production of nominal GDP. The mutual dependence of macro and microeconomic indicators is calculated by dividing the annual income by the total costs used to produce the gross domestic product. In this cult urological approach, the function of the true value of goods and services is defined as the reciprocal of the purchasing power of national money. It turns out that the GDP deflator (inflation) is a product of the growth rates of the true value of goods and services and the efficiency coefficient of the country's scientific and technological potential. In general, the qualitative theory of money is based on the two-dimensional measurement of capital, in its form of money and capital, in its form of commodity. Using the two-dimensional measurement of economic development indicators, it is possible to effectively manage the limited resources of any country in the world, not only in accordance with the inter-industry model of V. Leontyev in terms of money, but also using the principles of V. Dmitriev's intersectoral model in labor terms.

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¹Stoleru L. Equilibrium and economic growth: Principles of macroeconomic analysis / L. Stoleru. - Moscow: Gosstatizdat CSB USSR, 1974. - 472 p., P. 26.

²Nazarbayev N.A. "The Fifth Way". Source: Cultural and educational site Adamant. Email: adamant-lv@yandex.ru

³"The Fifth Way", Section "Paradoxes of World Progress"