Economy of The Central Asia Region in Conditions Of Globalization (On The Example Of The Republic Of Buryatia, Tuva And Mongolia)

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Abstract - At present, the progressive globalization of the world economy has a tangible impact on the development of the economies of developing countries. The ambiguous perception of the population of the consequences of globalization processes requires research in this area. The purpose of the study is to determine the impact of globalization of the world economy on ethnoeconomics. Globalization is a process of changing the structure of the world economy as a set of national economies that are a system of the international division of labor, economic and political relations. In the process of work, the authors studied the works of domestic and foreign scientists, revealing general trends and gaps in research. This article demonstrates the different approaches used by scientists of different countries, which emphasize certain aspects of the socio-economic development of the territories. At the same time, insufficient attention is paid to the influence of globalization processes on the ethno-economy of the region. The paper reviews Mongolia's globalization processes and analyzes the impact of globalization on the meso-level economy. During the writing of the article statistical data of the National Statistical Office of Mongolia and such research methods as analysis, synthesis, comparison, as well as analytical-synthetic method and system approach were used.

Keywords –Globalization, world economy, globalization processes, global index, integration, trade liberalization, meso, ethno economics.

JEL Classification: O10, O44, O49

1. INTRODUCTION

The globalization of the world economy is manifested as a complex process of forming a single world order for the movement of information, capital, goods and services. A great influence on the development of globalization processes is provided by transnational corporations, which currently control more than half of all international trade. Acceleration of these processes is

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influenced by regional, subregional and interregional integration. Globalization has both positive and negative consequences.

Williamson J. (1998) presented a report at the Congress of the Sri Lanka Association for the Advancement of Science of Colombo, in which he noted that "the whole world has become part of a single market, with interdependent production". He expressed his position on the approximation of economic thinking and technology, the disappearance of national schools of economic thought, the Americanization of the economy as a whole, and also highlighted the problem of the different level of implementation of the migration opportunities of highly skilled and low-skilled labor resources.

The scientists of Punjab University in their works conducted a study of the impact of globalization on world economic development and highlighted the implications of this influence on global markets, international institutions, international trade, foreign direct investment, corporations, technological infrastructure, employment, the world industrial sector, culture and ecology. In general, they note the positive effects and the inevitability of the process of globalization (Muhammad et al., 2011). Chen Yu, studying the impact of the globalization process on China's development, found that financial globalization is especially "important for China's future development," and also noted that "financial reforms and financial globalization will help companies create new competitive advantages through a more efficient distribution of capital equal to access to the capital of private companies and reduce the costs of financing and transactions" (Chen, 2015). Scientists Samimi P. and Genatadi H. S. (2014) investigated the impact of globalization on economic growth in developing countries of the Organization of Islamic Cooperation, which unites 57 countries. Using econometric methods of research, scientists come to the conclusion that "the positive effect of globalization is manifested in countries with a higher level of human capital and higher financial development". They also note that highly developed countries benefit from globalization, while countries with low domestic gross income do not receive it and the risks of globalization exacerbate poverty. In his work Aymkulov A.S. (2017) describes mainly the positive aspects of the influence of globalization on the development of the economy of Kyrgyzstan, focusing on the location of the country's territory "at the junction of the Euro-Asian transport corridors". The author notes, in contrast to previous authors, an increased possibility of migration of low-skilled personnel, which contribute to the flow of money to the country from abroad.

As we see, in the writings of authors the influence of the processes of globalization on the development of the economy of developing countries is presented unequally. In the field of ethnoeconomics, there is insufficient research, and therefore there is no possibility of determining the scale of the influence of globalization processes on this segment of mesoeconomics. Inadequate study of the subject entails the need to deepen research in this field at the meso level, in particular, the study of the processes taking place in the Central Asian region. In this regard, there is a need for both a description of current trends and the disclosure of the mechanism of the influence of globalization on the socio-economic status and development of the ethno-economy of the Central Asian region.

2. METHODS
In the process of research, the analytical-synthetic method and the system approach were used in the process of studying the influence of the transnationalization of
companies on the life and welfare of the population, along with geomethods, in particular geoeconomic, geocivilizational, geohistorical methods.

3. DATA, ANALYSIS AND RESULTS

In modern economic research, apart from the macro- and micro-level of the national economy, the meso-level is singled out, which includes the sectoral, intersectoral, corporative and regional forms of economic activity organizations. At the meso level, there is one segment of economic activity - a segment of ethnoeconomics, which is characteristic of transition societies. The nomadic culture and nature of Mongolia are characteristic features of the development of the ethnoeconomy of certain ethnic groups in Mongolia: Khalkha-Mongols, the bulk of Mongolia's population (86% of the population are Khalkha-Mongols, which 28.4% live in Khovd aimag, 13.8% - in Uvs aimag, 1.2% - in Bayan-Ulgii aimag (1.3%) and in other provinces of Mongolia 99% - Khalkha-Mongols) Buryats (1.3) and Bayad (1.7%), inhabiting the Eastern and Central regions of Mongolia (86%) and the Kazakhs (3.9%), Durvudy (2.4%), Mongolia population of the Western region of Mongolia, which differ in different levels of socio-economic development [8]. An essential sign of the difference in ethnoeconomics is the use of traditional methods of conducting industrial activities, personal subsidiary and households, and the behavior of the population of these ethnically-expressed regions.

The history of Mongolia is closely connected with the processes of globalization, starting from the XIII century, when the world was shaken by the conquests of the Great Mongolian Empire. The modern process of globalization begins in the twentieth century, then after the Second World War, with the formation of the World Bank and the IMF, the intensification of the influence of TNCs intensifies globalization processes. Especially modern multinational corporations, as new subjects of international relations, have led to the territorial division of production around the world, while creating a single chain of production located in different countries of the World. The peculiarity of the participation of modern Mongolia in the international division of labor is raw material specialization, strong economic dependence on the state of the economies of the neighboring countries (Russia and China), deterioration in the situation of the world's main external markets (EU countries, USA and Japan), negative changes in the natural and climatic conditions in the country. The main economic problems and shortcomings in the socio-economic development of the country are the absence of access to the world ocean, severe climatic conditions, low population and low solvency, low level of infrastructure development, inadequate economic structure, weak national innovation system, etc. According to the global index calculated by the Swiss Economic Institute (CDF), which since 1970 and which assesses the scale of integration of that country in the world production, Mongolia in 2016 takes 85th place out of 187 countries (Alymkulova, 2017). For global cooperation in the world, conditions must first be created that can be systematized as integration, technological processes and liberalization of foreign trade. After that, the country enters a globalization process, which is primarily reflected in the growth of factors of economic growth, thus rapidly growing economic growth affects the global economy, that is, globalization and economic growth are directly related. It is through this relationship that the degree of influence of globalization processes on the country's economic growth is manifested, thereby the degree of influence on the process of changing the structure of the world economy as a set of national economies.
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The first condition of globalization, as we see, is the integration processes that influence the transformation of the World into a single whole. At the present stage of the development of globalization, ever-accelerating technological progress leads to an intensified growth of international relations. But we must take into account that integration is not centralization, but conscious and objectively necessary attraction of objects to each other, while maintaining a different degree of autonomy. Today, integration is manifested at the level of regional and global, non-governmental and intergovernmental organizations. The forms of manifestation can be different, for example, in the form of common sales markets, financial and industrial groups, joint ventures, international banks, etc. Thus, the essence of the current stage of globalization is the increase in integration processes in all spheres of the economy. A feature of Mongolia's integration process prior to 1990 was the result of the historical period of the time when the world as a whole was divided into two camps: socialist and capitalist. During this period, Mongolia's foreign trade in the 1920-1960 was directed only at the USSR, and in 1960-1990 mainly limited to the council of Mutual Economic Assistance (CMEA), a closed association of which the USSR, Mongolia, Bulgaria, Czechoslovakia, the GDR, Hungary, Romania, Poland, Cuba and Vietnam were members. In 1989, 90 percent of foreign trade fell to the CMEA countries and 79 percent to the USSR, while the remaining 10 percent accounted for the PRC, Japan, Switzerland, Austria and the United Kingdom (The index of globalization of the world according to KOF, 2016). And in the 1990s, the processes of globalization and integration began to actively take place in the world, the countries of the world began to develop economic integration and free trade: For America- NAFTA, for Europe - the European Union and for Asia -ASEAN. Today Mongolia is an active member of major international organizations: since 1961 a member of the UN, since January 1997 a WTO member, in 1999 a member of ASEAN, in 2001 became a member of CAREC, etc. In addition, today Mongolia has observer status with the Organization for Security and Cooperation in Europe (OSCE) and the Shanghai Cooperation Organization (SCO) (Mongolia in a market economy, 2000). However, in 1996-2000, Mongolia did not have a fully justified strategy and did not ensure proper consistency in the implementation of reforms, too much focused on the recommendations of foreign advisers and experts who were involved in the country under various programs from European countries, the United States, Japan, and other countries.

The second condition for the processes of globalization, we believe, is undoubtedly technological progress, which leads to a sharp reduction in transport and communication costs, a reduction in the costs of processing, storing and using information. Thanks to its geographical location, through a drastic reduction in transport costs, with the help of the country's role of "transit", developing the transport and logistics industry, we will be able to increase the country's GDP, thereby increasing the economic growth rate, increasing the share of Mongolia's GDP in the world economy. The transport industry in Mongolia is one of the main branches of the country and has global significance, since the role of transport infrastructure, which provides the country's main economic, economic and external links, is. there are connections of a huge remote territory of the country (1564 thousand km²) are very large. 1925 is the historical period of the creation of the motor transport industry in Mongolia for the transportation of passengers and goods. The first vehicle in Mongolia is motor transport, in 1925, with the help of the USSR, with the 12 vehicles, the Mongolian Transportation
Authority was established, which carried passengers and cargo on the Ulan-Bator-Altanbulag route in 1929. The first motor transport enterprise "MongolTrans" was established, and in 1940 the Ministry of Transport was formed (Political atlas of our time, 2017). Further in 1939, the first railway was operated "Ulan-Bator-Nalaih", in 1939 "Choibalsan-Solovyevsk", in 1949 "Naushki-Ulan-Bator", and in 1956 "Ulan-Bator-Zamyn-Ud" (Political atlas of our time, 2017). So, in Mongolia the basis of the railway transport is the Trans-Mongolian highway built by the USSR, which connects Russia and the China. Today is officially the Mongolian-Russian joint-stock company "Ulan-Bator Railway", abbreviated name of JSC UBJD, which is one of the leading companies in Mongolia.

Since 1945, an aviation transport is formed, which conducted flights on the route Moscow-Ulan Bator, made flights between the aimaks of Mongolia, and the Office of Air Transport of Mongolia was established in 1956 (Political atlas of our time, 2017). In 2017 the GDP of the transport industry in Mongolia amounted to 1.4 trillion tugriks. Today we have 4 types of transport infrastructure (The FDI Report, 2017). In 2017, the additional product of road transport amounted to 506.4 billion tugriks and occupies 37%, rail transport - 529.1 billion tugriks and occupies 39%, aviation transport - 322.2 billion tugriks and occupies 24%, water transport - 303 million tugriks and occupies the zero part in the transport sector.

Further, the result of technological progress is manifested in the communication field. Today, information sharing, e-mail and the Internet have become communication channels of a person's daily life in any part of the World.

The third condition for globalization is trade liberalization. Globalization in the world economy finds expression in the intensification of the flow of goods, capital, labor, and therefore liberalization of trade can be called the third condition of globalization. At present, results of the globalization processes caused a restriction of protectionism policies, made world trade more free and become levers for the development of national economies. As a result of trade liberalization, tariffs were reduced substantially, many other barriers to trade in goods and services were eliminated, which ultimately led to increased capital flows and other factors of production. As a result of which, the volumes of foreign trade, the number of trade partners, investments and sources of investment were increased. So, in 2016-2017 of Mongolia export of the country...
became the locomotive of the entire economy of the country. The transition of the Mongolia to a market economy and the collapse of the USSR and CMEA led to a sharp reduction in the inflow of foreign resources into the country. The peculiarity of Mongolia of this period is that it became one of the first Asian countries in which political and economic reforms were launched in the conditions of the crisis and the collapse of the socialist model of development. However, already in 2017 Mongolia trades with 163 countries, the gross foreign trade turnover of which amounted to 10.5 billion USD, including exports amounted to 6.2 billion USD, and imports amounted to 4.3 billion USD.

![Figure 4. Dynamics of foreign trade in Mongolia, in billions of US dollars](image)
Source: Annual statistical data on foreign trade of the NSO of Mongolia

As can be seen, Mongolia's foreign trade has sharply increased over the period under review. The gross foreign trade turnover of Mongolia in comparison with 1990. Increased by 8.9 billion USD or 7 times, exports increased by 5.5 billion USD or 9 times, and imports increased by 3.4 billion USD or 5 times. Especially large revival of foreign trade was for the last 10 years, including in 2010-2014, during the operation of large mining projects.

Exports of Mongolia by 2014, compared with the socialist period, increased almost 9-fold, which reached 5.77 billion USD and in the structure of exports for the first time the majority of shares began to be occupied by coal, iron ore, oil, zinc concentrate and gold. In 2017 Mongolia traded with 163 countries of the world, the gross turnover amounted to 10.5 billion USD, compared to the previous year increased by 2.2 billion USD and the growth rate of gross foreign trade amounted to 27.4%. Net exports amounted to 1.9 billion USD. Including, exports of foreign trade amounted to 6.2 billion USD and the growth rate of which amounted to 26.19%. 98% of exports are trade with currency payments, which compared to the previous year increased by 1.4 billion USD or 30.4% and re-exports decreased by 65.8%. The structure of exports in 2017: exports of mineral resources increased by 1.4 billion USD or 41.6%, exports of textile materials and products - by 35.2 million USD or 11.7%, exports of plant products - by 12.5 million USD or 22.8%, that is, the volume of exports of 11 parts of production increased and the export of the remaining 9 parts of production decreased. 98.5% of export production are coal (compared with 2016, exports of coal increased by 7.3 million tons in prices for 1.3 billion US dollars, the average price per kg increased by 30.6 USD dollars. 97.9% of coal exports account for exports to China), copper concentrate (compared with 2016, although the export volumes of copper concentrate decreased by 114.8 thous.t., but the average price per kg increased by 85.3 USD and as a result, the export of copper concentrate increased by 5.4 million USD. In 2017, 100% of the export of copper concentrate accounted by China), molybdenum concentrate (in comparison with 2016, exports increased by 727.1 t., the average price per kg increased from 4578.7 USD up to 5744.6 USD and as a result, the amount of exports increased by 10.9 USD million. In 2017, 92.7% of molybdenum concentrate exports accounted by China and the remaining 4.3% of molybdenum concentrate exports accounted by Korea), fluorite (compared with 2016, exports increased by 70.5 thous. t. and the amount of exports increased by 25.2 million USD. The average price per kg.
increased 27 USD. In 2017, 57.8% of fluorite exports are exported to Russia, 42.0% of fluorite exports are exported to China, iron ore (iron ore exports totaled 6.3 million t., an increase of 173.2 thousand tonnes. Average export price has reached 50.1 USD and in comparison with the previous year, increased by 9.0 USD. In 2017, 100% of the export of iron ore is for export to China) and crude oil (in 2017 exports of crude oil amounted to 7514.2 thousand barrels, the amount of exports amounted to 374.1 million USD. In comparison with 2016, exports of crude oil decreased by 501.7 thousand barrels, but exports increased by 36.9 million USD, which was as a result of an increase average export price from 42.1 USD to 49.8 USD). Mongolia exported to 69 countries, including to the China - 85.0%, to the UK - 10.7%, to Russia 1.1%. The export of these countries amounted to 96.8% (United Nations Conference on Trade and Development, 2017).

In 2017 the import value of Mongolia amounted to 4.3 billion USD, in comparing with 2016, increased by 979.2 USD or 29.2%. 92.8% of the import of products is held by trade with currency payments, 1.3% of imports are taken by goods supplied by capital with foreign credit, 0.5% of imports are occupied by foreign aid goods, 4.8% of imports are occupied by goods supplied by foreign investments, 0.5% of imports are occupied by processing goods. The increase in imports was affected by: mineral products (including petroleum products account for 791.1 million US dollars or 80.1% of imports. The volume of petroleum products imports increased by 352.5 thous. t., the amount – by 279.0 million and the average price per kg increased from $ 502.0 to $ 576.4) are amounting 987.8 million USD or 22% of imports; machines, mechanical equipment and parts, electrical appliances and spare parts occupy 920.8 million USD or 21.2% of imports; livestock and vegetable products, food products occupy 544.3 million USD or 12.5% of imports; automobile, air and water vehicles and their spare parts occupy 622.7 million USD or 14.4% of imports; plastic and plastic products, rubber and caoutchouc products occupy 182.5 million USD or 4.2% of imports. Imports of goods of international, financial organizations and donor countries amount to 21.5 million USD: Japan accounts for 20.7%, for the USA - 10.1%, for China - 27.9% and for Russia - 8.0%. Import of foreign aid goods from donor countries: Japan accounts for 31.1%, for Switzerland - 6.9%, for China - 21.7% and for the USA - 4.9%. 99.9% of imports of foreign aid goods are non-refundable goods and the remaining 1.1% are humanitarian goods.

The import of Mongolia by 161 countries: China occupies 32.6%, Russia - 28.1%, Japan - 8.4%, the USA - 4.8%, South Korea - 4.6% and Germany 3.0% (United Nations Conference on Trade and Development, 2017).

If we consider the growth rates of exports and imports, then:
As we see, the growth rates of export volumes and the growth rates of import volumes are unstable, have great fluctuations. In the international trade, finished products and services based on high technologies occupy the main place, however, a large share in the structure of Mongolian exports is raw materials and products of the "first redistribution". Our country imports mainly consumer goods, including food products, clothes, and household appliances, while exporting mainly mineral resources, coal, gold, silver, copper and molybdenum concentrate, fluorite, cashmere, wool, leather, clothes, leather products, meat are the main export goods. In addition, in the export and import of services tourism and transport of goods and passengers are dominated. The impact of international trade on Mongolia's exports is primarily a change in world prices for mineral resources, the situation of the world economy, especially China's economy. In the modern economic situation of Mongolia, the mining industry plays an important role since the bowels of the country are rich in huge reserves of mineral resources (vast deposits of coal, iron ore, gold, silver, copper, tin, uranium, zinc, molybdenum, phosphorus, tungsten, oil, fluorite and semiprecious stones). For example, according to estimates of Western experts, the total value of the top 10 largest deposits of coal, copper, gold, uranium and rare earth metals in Mongolia is about 2.75 trillion USD.

Mongolia is a country with a huge territory, a small population, rich mineral resources and a small open economy, so the country's economy depends more on the world's price. Thus, since the beginning of the 21\textsuperscript{st} century, the Mongolian economy has been growing as a result of the growth in world prices for copper and gold, the main export products of our country, and in particular gold mining in our country has increased substantially, and the mining industry is increasingly asserted as the most promising sector of the country's economy. Today, the main products of the mining industry are gold, silver, copper and coal.

Table 2. Dynamics of changes in prices of non-ferrous metals on the world market

<table>
<thead>
<tr>
<th>Years</th>
<th>Gold, $ / kg</th>
<th>Change, %</th>
<th>Silver, $ / kg</th>
<th>Change, %</th>
<th>Copper, $ / kg</th>
<th>Change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>18471.53</td>
<td>-8.4</td>
<td>150.06</td>
<td>-9.9</td>
<td>0.347</td>
<td>-0.7</td>
</tr>
<tr>
<td>2005</td>
<td>17806.48</td>
<td>+29.8</td>
<td>291.93</td>
<td>+58.8</td>
<td>2.162</td>
<td>+45.4</td>
</tr>
<tr>
<td>2010</td>
<td>42836.6</td>
<td>+21.4</td>
<td>863.97</td>
<td>+58.8</td>
<td>4.439</td>
<td>+33.4</td>
</tr>
<tr>
<td>2015</td>
<td>35951.61</td>
<td>-5.5</td>
<td>458.67</td>
<td>-9.4</td>
<td>2.126</td>
<td>-25.1</td>
</tr>
</tbody>
</table>

Source: Annual statistical collections of the NSC of Mongolia

Table 2. shows the price changes for non-ferrous metals, calculated by the previous year. In 2001-2007, the price of non-ferrous metals on the world market is more than tripled. So the economy of Mongolia
increased by 9% on average over the year. In 2008, the world market prices for non-ferrous metals fell. In 2009-2013, the world market prices for non-ferrous metals increased. In 2013-2015, the world market prices for non-ferrous metals again fell. Starting in 2014, after three years high growth, the country's economy begins to fall, caused by a sharp drop in world prices for raw materials. So in 2015, Mongolia exported mineral products by 3.7 billion USD, which decreased by 23% compared to the previous year. Export of mineral resources is 79% of the country's total exports. In 2015, with the fall in world coal prices, export earnings declined by 239.1 million USD, copper exports, with falling world prices, despite an increase in production growth of 7.2 percent, decreased by 0.3 billion USD. Since 2017 Mongolia's economy has been rising again, the growth rate was 5.1%, compared to the previous year, increased by 4.1 points. World prices for mineral resources are also increasing. For example, at the London Stock Exchange of non-ferrous metals, the price of one ton of copper in December 2017 was 6800.1 USD, which is an increase of 1133.9 USD, or 20 percent, compared with the previous year. At the London Stock Exchange of non-ferrous metals, the price of one ton of gold in December 2017 was 1261.2 USD, that is compared with the previous year, increased by 109.8 USD or by 9.5%. In 2017, the price of 1 barrel of oil on the New York Mercantile Exchange becomes 58.0 USD and increases over the previous year by 2.7 USD or by 4.9%.

For the economic development of developing countries, foreign direct investment is one of the engines of the globalization process. In this regard, in our country in recent years there has been a significant increase in the volume of FDI, companies with foreign investments are increasing and occupy a leading position in certain economic sectors. According to data published in 2014 on FDI at the end of 2013: China - 347.9 billion USD, the United States - 295.0 billion USD, Hong Kong - 76.6 billion USD, Russia 70.7 billion USD, Canada - 67.6 billion USD, Singapore - 63.8 billion USD and FDI of Mongolia - 2.1 billion USD. In terms of FDI, Mongolia is ranked 61st from 196 countries.

In recent years, global flows of foreign direct investment have declined, so for the last 2 years, for example, in 2016, global flows of FDI fell by about 2%, to 1.75 trillion USD. A new report from the United Nations Conference on Trade and Development was noted about world investment, that in 2017, compared with 2016, global flows of FDI fell by 16% or was 1.52 trillion USD (United Nations Conference on Trade and Development, 2017). According to the authors of the report, this is due to the decrease in FDI flows to the countries with economies in transition, whose volume decreased by 17% and amounted to 55 billion USD. Also, the flow of FDI fell even more sharply in industrialized countries, particularly to Europe by 27% and to North America by 33% (Socio-economic situation of Mongolia, 2017). The world trend of reducing FDI did not pass and Mongolia. After high growth in 2011, global flows of FDI to Mongolia began to lose their momentum.

![Figure 6. Dynamics of FDI of Mongolia, in billion of US dollars](source: Annual statistics of the NSC of Mongolia)
During the periods under review, the volume of FDI in Mongolia increased by 5.3 times. The average annual rate of growth in FDI amounted to 41%, the average annual absolute growth was 177.1 billion tugriks. An investment environment and conditions for attracting FDI in Mongolia have been established, legally justified and act. Nevertheless, according to some of the World major investors, the political factor of the country still remains a danger for the implementation of foreign investments.

As defined in law «About Foreign Investments», «Foreign investment means every kind of tangible and intangible property which is invested in Mongolia by a foreign investor for the purpose of establishing a business entity with foreign investment within the territory of Mongolia or for the purpose of jointly operating with an existing business entity of Mongolia» [1]. The rapid growth on FDI in Mongolia in 2010-2013 is driven by large mining projects. As in Mongolia the most promising sector of this period was the mining industry and a large share of investments falls in this sector. For example, in 2011, out of foreign direct investment received by 4.17 billion USD, 80% were invested in the mining industry. On the one hand, due to unfavorable economic conditions, since 2013, foreign investment fell sharply by almost 7.6 times, on the other hand, due to the payment of debts to foreign companies in 2015, investments fell to 64.6 million USD (The FDI Report, 2017).

Another factor in the impact of globalization on economic growth in Mongolia is international labor migration, as labor potential, as a major factor of economic growth, seeks its most effective use not only within the national economy, but also in the scale of the international economy. In terms of net migration in 2015, from 217 countries: Qatar 22 migrants per 1000 population, UK 17 migrants per 1000 population, Luxembourg 17 migrants per 1000 population, and Mongolia -1 migrants per 1000 population.

CONCLUSION

According to the National Statistics Office of Mongolia over the past few years, modern Mongolia for socio-economic development occupies an advanced position in the Central Asian region. The main criterion determining this desire is the level of economic development. With the beginning of the transition to a market economy in 1990, Mongolia formed the basis for participating in global cooperation. The necessary conditions for the processes of globalization, that is, the source of global changes, the source of Mongolia's integration into the unified world system are the integration processes, which again are an expanding factor in the processes of globalization in the country. Mongolia is a full member of the WTO and within the framework of the regulatory requirements of this organization there is a process of further liberalization of the country's foreign economic activity. Integration is the way of Mongolia's participation in decision-making on large-scale, global markets. The transport infrastructure of Mongolia, which is the carrier of development of social and economic growth, should directly ensure the unity of the economic space and thereby compensate for the lack of geographical location due to the development of logistics as a source of increasing economic growth. The Russian Federation and the PRC are important trade and transport partners linking Mongolia with the countries of the world, which should ensure transit development between the countries of Eurasia. Today, Mongolia has already signed agreements on the creation of three free economic zones (Altanbulag, Zamyn Ud, Tsagannur), which will attract investments in the country's economy, asphalt roads will be built, thereby
increasing the volume and efficiency of transportation, in other words, the country's infrastructure will improve.

Mongolia is now an active member of the WTO, whose testimony is an increase in trade turnover and FDI. The gross trade turnover of Mongolia over the past 20 years (in 1997 amounted to 1.0 billion USD, in 2017 amounted to 10.5 billion USD) increased by 10.5 times. During this period, the gross volume of FDI (1997 total FDI was 113.3 million USD and in 2016 2 billion USD) increased by 20 times. Although, for attracting FDI is very complex process, nevertheless today in connection with the implementation of major mining and infrastructure projects, the annual volume of FDI of Mongolia began to be measured in billions of USD.

Today, the most promising direction of Mongolia in global cooperation is still the mining industry, its development and attraction of FDI in this sector. Increasing exports of mining products is an accelerating factor in the development of Mongolia.

Global opportunities of the country:

1. Mongolia is rich in natural resources.
2. The conditions for the introduction of Mongolia into the world global system have been successfully created, which prefers open economy and economic efficiency, there by improving the country's competitiveness.
3. The legal environment has been formulated successfully.
4. Strategies and policies for the development of export products have been developed and are being applied. For example, more than 90 percent of Mongolia's exports come from the China and most of the country's imports also fall to the China and Russia, and also conducts an active policy with such countries as Japan, South Korea, the United States, etc.

In the globalization of the world economy, the progressive development of ethnoeconomics can occur thanks to the implementation of a balanced socio-economic policy that will include such aspects as:

1. increasing the accessibility and educational level of the population of the region;
2. development of progressive sectors of the economy such as: biotechnology, healthcare, telecommunications, software, development and introduction of new materials;
3. improving the effectiveness of the investment policy of the region, attracting foreign investment in the development of ethnoeconomics;
4. increase in the production potential of the territory;
5. support for traditional crafts and crafts of indigenous peoples of the Territory;
6. conducting rational industrial policy, developing the processing industry, the service sector in accordance with the orientation of the territory.

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