Food Market of Kazakhstan: Current State and Innovative development Directions

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Abstract

This article is devoted to the very important part of the economic system of modern Kazakhstan – agricultural sector in a whole and food market as a very significant part of this sector. Currently, one of the main directions of agricultural sector's development is developing based on the clustering of economic operations of Kazakhstan, providing for the organization and concentration of production capacity in one region or the most optimal system. In the modern economic literature clustering is regarded as one of the most effective tools to ensure competitive businesses, and improve their business itself. Also we regard the modern conditions of agricultural development in Kazakhstan nowadays.

Keywords: food market, agricultural sector, innovation cluster, innovative.

Introduction

According to Granit J. et al (2012) Food Market is a social economical and organizational system, where the processes of production, sharing, exchange, consumption mutually interacts, and described by complex structure consisting of a majority number of inter-related subjects in agriculture and certain food markets. Development of the food market gives possibility to solve the problems of food security in the country, to improve the health of residents, ensure the profitability of the different areas of agribusiness.

As we know, the founder of a cluster technology development is Michael Porter, who gives in his book "The national competitive advantage" the following definition of a cluster - "... a geographically concentrated groups of interconnected companies, specialized suppliers, service providers, firms in related industries, as well as related to their activities organizations".

According to M. Porter's, competitiveness should be viewed through the lens of international competitiveness and not through individual companies and clusters but as clusters of firms of different industries, thus showing its fundamental importance in the ability of these clusters effectively using internal resources. Most of Kazakhstan's scientists have come to the determination that the "cluster – a sustainable territorial and sectoral partnership, joint innovation program, the introduction of advanced manufacturing, engineering and management techniques in order to improve the competitiveness of its members".