

Unable to rely on a strong individual, the ECB has set out a monetary-policy strategy with two "pillars". The first pillar is money supply. The second consists of other short — run influences on the price level. Nothing is wrong with that. The problem is that it is not clear to ECB — watchers.

The second difficulty is the relationship between the ECB and the national central banks. Although the NCB are no longer responsible for national policy, they have kept several other important jobs. Bank supervision and financial stability are still their eyes.

NCBs still maintain their own payment systems, even though the Eurosystem has its own. Over 50 % of the Eurosystem balance sheet is outside the ECB's direct control because it is supposedly unrelated to monetary policy.

The third problem ahead is the queue of Central and Eastern European countries to join both the EU and the single currency. Their accession to the euro, even on the optimistic timetable, looks far away.

Взаимодействие стран между собой с каждым днем приобретает все большее значение. Экономическое и политическое взаимодействие стран Западной Европы в основном осуществляется в рамках Европейского союза, главным финансовым центром которого является Европейский центральный банк. В приведенном тексте изложены основные трудности и проблемы, с которыми столкнулся и которые должен решить в самое ближайшее время Европейский центральный банк.

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**FOREIGN CAPITAL INVESTMENTS IN BELARUS:  
MYTH OR REALITY?  
(ИНОСТРАННЫЕ ИНВЕСТИЦИИ В БЕЛАРУСИ:  
МИФ ИЛИ РЕАЛЬНОСТЬ?)**

Lack of capital resources in Belarus is undoubtedly the country's foremost concern. The current economic state of affairs, expressed in both economic crisis and sharp reduction of capital funds, raises the problematic issue of attracting foreign investments as a potential source of capital fund investments. Furthermore, foreign capital investments happen to be fairly advantageous for Belarus as opposed to other forms of international economic partnership, both in terms of boosting effective domestic production and integrating into international economic processes.

The central prerequisite, influencing the intensity of foreign capital inflow into a country, is by far providing a package of auspicious conditions for foreign investors' activities, also known as "favorable investment climate", which implies fairly stable grounds for effective investment plans. Recent international analyses of the official statistical data on the amount of foreign capital investment in Belarus assess the country's investment climate as unfavorable. Foreign investors evince feeble interest in conducting investment programs in Belarus, notwithstanding the state's advantageous geographical position, high educational standards, a relatively low criminal rate, and cheap labor. This occurrence is the result of various reasons: failure of state bodies to fulfill the current investment legislation; frequent changes in this legislation that directly influence the activities of foreign and joint ventures; violation of the companies' rights to set their own prices; irrational reasons to refuse the registration of enterprises; the establishment of additional taxes (e.g. to local budgets), the system's absence of investment guarantees and appendant liability.

Taking into account the country's critical economic situation, the government should take urgent measures, targeted at attracting direct foreign capital investments. These are to include: creating a positive image of Belarus among its international partners; improving the legislative basis for international investment cooperation by means of eradicating contradictions within legislation and correcting the National Program of Attracting Foreign Investments (adopted in 1996), with respect to its realization results; liberalizing the process of registration for foreign capital enterprises for the purpose of expediting the process of re-registration; determining regions and branches of national economy subject to prioritized foreign investing; organizing a national structure for selection and implementation of effective and promising foreign investment projects; providing adequate informational basis for foreign investment activities; stimulating export-oriented and import-substituting production programs.

Not only will prompt, accurate, and thorough implementation of the foregoing set of tactical arrangements assist amelioration of investment climate in the Republic of Belarus, but also ensure reaching the country's main strategic objective — stable economic development and growth.

Республика Беларусь, вследствие своего выгодного географического положения, высокого образовательного уровня и относительно дешевой рабочей силы, теоретически достаточно привлекательна для иностранных инвесторов. Однако на практике дела об-

стоят противоположным образом: в настоящее время республика испытывает острейший недостаток иностранных капиталовложений, причём инвестиционный климат страны ухудшается едва ли не с каждым годом. Такому неблагоприятному сложению обстоятельств в области иностранного инвестирования во многом содействуют различные правовые, институциональные и законодательные особенности развития республики. В целях установления благоприятного инвестиционного климата в РБ, настоящим докладом предлагается ряд тактических мер, способных содействовать не только увеличению объемов притока иностранных инвестиций в республику, но и достижению стабильного экономического роста страны.

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### ADVERTISING (РЕКЛАМНОЕ ДЕЛО)

A common housewife, a brilliant writer, a successful entrepreneur, a handsome student... Is there anything similar in their lives? Yes, there is. All of them are ruled on their everyday life by advertising market. What is that then? Is this sector on which millions of dollars are spent every day, a monster with thousands of beautiful faces which makes you buy a certain kind of spray, eat crisps of a definite brand, support a particular campaign? To some extent it is right, but in the real life advertising is just one of those veins within the economy which connects consumers of all kinds with products on the market. The aim of my report is to analyze the state of advertisement market in Belarus.

Nowadays, just like yesterday (a year and five years ago), agencies representing the most famous network groups set the fashion on the advertising market. But the field for their activity had grown narrow. This is explained by the fact that foreign advertisers curtail their activity in the republic, while new investors do not make massive investments into our economy. According to the words of the directors of leading Belarusian advertising agencies, there are almost no advertisers left on which such agencies can count on as active clients. The difficult economic situation may explain much, but not all. Enterprises are cautious now — they know how to calculate their money, and have already learned what the sharp increase in the tariffs and rates mean.