THE SENSE OF BARRIERS TO ENTRY IN THE PROCESS OF SUSTAINABLE DEVELOPMENT ACHIEVEMENT

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Today the competition of indicators of environmental liability products and manufacturers is one of the leading areas of competition in the global market. The development of voluntary environmental certification systems, mechanisms to establish and confirm the legality of forest products, the use of marine biological resources, establishing a list of requirements for the types of packaging that can be used in certain markets, the requirements for the recycling of packaging materials, the inclusion of indicators of environmental responsibility in the ratings of innovation appeal, raising the role of environmental factors in public procurement policies in the European Union - these processes are components of sustainable development policies of some developed countries. Other countries it considers as barriers to entry to the markets of these states.

Implementation of these and similar modern methods of management, including from the standpoint of environmental conservation in developing countries is impossible because of sufficient financial resources and economic experience.Sources of financial resources needed to implement technologies to preserve the environment can be either loans from international funds, or its own industry of environmental protection. Use the same highly advanced technologies while reducing pollution levels, but increase the overall intensity of resource exploitation. For example, technologies such as skidding base (fisheries), and chain saws (in forestry) have accelerated resource depletion and habitat destruction.

The environmental arguments in foreign economic relations of countries are a priority, when the differences in the level of development does not allow them to act in the agreements on equal positions. And it applies in main in the developed markets, where further growth is possible only through diversification of production and redistribution of shares of market participants.

In the modern world environmental barriers to entry are an important characteristic of the dynamics of the market for all subjects: entrenched firms, beginners, consumers, government anti-trust services. New firms do the analysis of high barriers to entry for making decisions about the most effective methods of entry. For consumers, the existence of significant barriers to entry indicates the limitation of their freedom to choose the quality and range of goods and services of dominant firms in the market. From the perspective of state barriers to entry use as support the protection of domestic markets and products from foreign competition, and for identifying tools to support and encourage competition in order to enhance sustainable development.

In the economic literature, there are two basic approaches to the definition of entry barriers: from the perspective of industrial organization theory and strategic management positions. The purpose of the first approach is to identify the barriers to entry and analysis of the industry in which such barriers exist. The second approach involves the assessment of the existence of barriers in terms of strategic decisions within the company's policy of strategic management.

Barriers can be caused by the objective characteristics of industries related to production technology, the nature of consumer preferences, the dynamics of demand, competition from foreign producers. Such barriers are non-strategic factors, market structure. Non-strategic barriers include economies of scale, absolute cost advantage, the specificity of assets, capital needs, excess capacity, level of technology (technological gap), access to distribution networks, state licenses, control of strategic resources, the costs of research and experimental development, cultural diversity, density (compactness) of the product space, environmental taxes.

The second type of barriers - barriers caused by the strategic behavior of contractors operating in the market (including the state). These are: product differentiation, vertical integration, trade names, product and process patents, limited pricing, advertising, research and development; incompleteness and information asymmetry, investment risks, the costs of operating in foreign markets, requirements to the types of packaging that can be used to markets of various countries, the requirements for the recycling of packaging materials, eco-labeling.

Some of the barriers are desirable. For example, if the market creates positive externalities, and companies of that market are not sufficiently protected by barriers, the resources to carry out the work will be quickly exhausted. In such cases, entry into the market should be limited to the extent that the price of products and the level of technological innovation are in the optimal combination.

The presence in the behavior of market participants such as the features of bounded rationality forces to pay attention to the institutional forms of overcoming the barriers to entry, because the market is not always able to reconcile the interests of economic agents. Participants in market transactions should solve the problem of minimizing transaction costs, depending on the asset specificity, complexity of technology, frequency of transactions themselves, as being barriers to entry. That is, entry into the sector is complicated by the theoretical aspects of the game. Even in the simplest case of one firm and one newcomer it has the potential number of strategic interactions. And although the rules of the game after logging are exogenous, a firm can change entrenched in their own interests outcomes by changing the initial conditions. In particular, the irrevocable choice of investment allows it to change its marginal cost curve, after the entrance, and, consequently, arising after the entry for any given rule equilibrium.

That why barriers to entry, in particular environmental, as a tool to limit competition and maintain a certain level of profitability of the existing economic agents are an important issue in the study of the processes of sustainable development, because the range of possible barriers to entry into the market determines the conditions for entry into this segment of new firms and policy regulation of the market for goods and services, taking into account environmental requirements.