

## Relevant Aspects of Regional Policy with an Innovation Dominant

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### ABSTRACT

The article considers the problems of formation and development of regional policy on the basis of clustering. Studied international experience of cluster policy and the factors of its success. The article reveals the specificity factor of the mechanism of implementation of socio-economic policy of the region, explores the innovation dynamics as conditions for accelerated development of the Russian regions, analyzed the effectiveness of the implementation of socio-economic policy of the region in terms of innovative dynamics. Special attention is paid to investigation of the mechanism of regulation of regional economy, which includes measures of effective impact on the regional industrial complex and regional markets, financing of regional production and social infrastructure, as well as the institutional instruments that ensure the sustainability of the regional economy and regional socio-economic parameters.

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### 1. INTRODUCTION

The competitiveness of the regions based on the efficiency of the existing subjects of economic activities. That is why the cluster approach as an alternative to traditional industry, industrial policy is an effective tool for improving the competitiveness of the territory. The advantages of the development of cluster initiatives is so large that the authorities do not conduct a policy to encourage the development of clusters, risk to leave the region without a competitive economy in the future. While cluster policy needs to be based on historical, cultural, social and other specifics of the territory.

Strengthening the innovation component in the functioning of the economic mechanism in the conditions of post-industrial society put forward an objective and meaningful imperative the whole range of regulation of innovative processes at all levels of the socio-economic hierarchy. The systemic nature of these processes lends the inevitability and irreversibility of innovative growth patterns of the dynamics of social relations that gives rise to the irreversibility of the transformation methods and principles of regulation and economic policies at both the macro-and meso-levels (Tolkovanov, 2010).

In theoretical and methodological aspects of the region is open and dynamic and economically limited resource and technological aspects, which is an objective factor of regional regulation.

In such circumstances, of special importance are the problems of formation of the regulatory mechanism of regional economic policy, including a comprehensive system of areas, the implementation of which is able not only to overcome the disparity and fragmentation of socio-economic development of the region, but also provide strategic growth. In modern conditions it is possible due to the inclusion in the mechanism of regional economic policy factors for accelerated innovation dynamics.

The mechanism of realization of regional economic policy predefined socio-demographic, political, financial-economic, natural-ecological, industrial and technological subsystems that functionally complement and improve each other, forming the total regional capacity. Economic expansion contributes to regional capacity and production-technological and social growth. At the same time in modern conditions is objectively important to the formation of stable forms of regional regulation for the growth of innovative potential and innovative capacity of economic entities of the regional economy (Klimova & Vaganova, 2009).

Analysis of international best practices allows us to conclude that the more innovative is the system of factors that regulate regional growth, the higher the level and quality of socio-economic growth on a macroeconomic scale.

## **2. DISCUSSION**

The cluster approach is directly connected with increase of competitiveness of the territory, not only because it affects both productivity and employment, but also because it removes the contradictions between them. The level of labor productivity in the cluster grows due to the specialization and outsourcing of non-core activities. And the employment rate – due to the attraction and formation of new subjects of economic activities in related and supporting industries.

The basis of the competitiveness of the cluster is the development of small and medium business. For example, large companies (Time Warner, Random House, Sony Corp, Universal Music Group, Verizon Communications, Boyd Printing, etc.) represent approximately 2% of the total number of participants, media and communication cluster of the state of New York.

In our country, the measures taken to support small businesses, are declarative, the domestic business environment remains comfortable only for large corporations. The Russian practice of vertically integrated companies, focusing on all stages of the value chain, significantly affects the level of productivity in Russia (as in the whole economy and for individual sectors) does not exceed 10-20% of the US level (in the automotive industry – just over 3%).

The advantages of the development of cluster initiatives is so large that the authorities do not conduct a policy to encourage the development of clusters, risk to leave the region without a competitive economy in the future. While cluster policy needs to be based on historical, cultural, social and other specifics of the territory (Oleinikova et. al., 2016). On the basis of international experience and best practices can speak about the following factors for success of cluster policy (Shkvarya et. al., 2016).

- On the formalization of state policy in relation to the clusters, taking into account country (regional) specifics, the specifics of the industry and cluster members (a program of cluster development).
- The formulation of a long-term vision of clusters (the inclusion of programs of cluster development strategy in the country/region).
- Development of communication between the key participants of the cluster: companies, public authorities, scientific and research community, financial institutions, trade associations.
- The support from the state of cluster initiatives (at least at the stage of formation of the cluster).
- Active use of the state order as a support tool for clusters.
- On development of scientific-educational database increasing access to public R&D, stimulation of cooperation between educational and real sectors.
- On the development of innovation infrastructure (incubators, science parks, special economic zones).
- About carrying out the marketing policy and the presentation of the clusters on the foreign markets.
- Ensuring access of cluster members to information.

Program of development of regional clusters should be based on detailed strategic and cluster analysis of the industries of the region and developed with the involvement of all stakeholders: authorities at different levels, business associations, research and educational institutions, financial institutions. Of fundamental importance in the formation of a regional cluster and program development is played by the stage of mobilization, including the involvement of leaders and institutions, the search of points of intersection of interest and the development interest of the participants.

Among the directions of the state regional cluster policy, which can be implemented include:

- monitoring the development of economic clusters at the regional level, including the identification of their structure, territorial localization of the separate segments, the co-financing of analytical research of prospects of development of specific clusters in the external market and assessing their impact on the territory and social sphere (Bashkov & Silnov, 2015);
- formation of communication platforms for potential participants of territorial clusters, including through their integration in the process of development and discussion of regional development strategies (2006-2007), facilitating the exchange of experience between regions on the formation of cluster policy;

- helping to bring cluster participants (including through associative forms), the implementation of programs to facilitate the exit of companies of the cluster to external markets, conduct joint marketing research and advertising activities, implementation of educational policies agreed with the main representatives of the cluster, ensuring communication and cooperation between enterprises and educational institutions (5-6 pilot regions starting from this year).

Cluster policy is characterized by the fact that the Central emphasis on strengthening linkages between economic entities – participants of the cluster to facilitate access to new technologies, distribution sharing risks in various forms of joint economic activities (including access to foreign markets, the organization of R&D, knowledge sharing and fixed assets), the acceleration of learning processes due to the concentration and contact of specialists of international level, to reduce transaction costs in different areas because of increased trust between members of the cluster (Lomova, Shiryayev, Kobersy, Borisova & Shkurkin, 2016).

New model organizations of the country should, in particular, to provide her the most effective from the point of view of capitalization of the country's integration into the global market, focusing on its territory the flows of goods, finances, information and people, and also centers of development and distribution of innovations that should lead to the creation of conditions for modernization of the industry and support a globally competitive territorial production clusters which have become a form of integration and support of small and medium-sized businesses.

That is, the traditional macroeconomic and sectoral approaches to the development of small and medium business it is necessary to complement regional, expressed in the formation of regional industrial clusters (Grigorenko et. al., 2016).

The study of the nature and specifics of the regional regulation of the Russian economy showed that strategic resources are concentrated in a limited number of regions demonstrating the highest rates of economic development, and, consequently, a higher level of living. In regions with low resourcing, indicators of economic and social development are much lower. In this regard, in the framework of regional economic policy are the redistribution of financial flows and transfer pricing regulation in the framework of the unified budget of the complex. To reduce the high dependence of the Russian macro-economy and its regions natural resources will contribute to the creation of conditions for innovative development in the regions, which will allow to overcome the disparity of regional socio-economic growth.

Implemented in recent years within the framework of regional economic policy measures for the alignment of territorial inequalities have a certain economic effect and had a significant role in the enhancement of socio-economic development level of regions of the country. However, many Russian regions remain heavily subsidized, and the effectiveness of the implementation of regional economic policy maintain sharpness and prevent the achievement of sustainable growth of Russian macroeconomics.

The mechanism of regulation of regional economy includes measures of effective impact on the regional industrial complex and regional markets, financing of regional production and social infrastructure, as well as the institutional instruments that ensure the sustainability of the regional economy and regional socio-economic parameters. In addition, the establishment in the regions of cluster forms of organization of production, innovation and technological centers, institutes, technology transfer will promote the intensification of regional growth in the economic and social aspects. The efficiency of the mechanism of

regulation of regional economy as a factor of system dynamics of territorial development is determined by optimizing the control methods of the meso-economics, decision-making efficiency, quality of socio-economic relations between the representatives of the regional entrepreneurial and business community, as well as the rational use of regional competitive advantages. The region's competitiveness on national and international markets is provided by the effective use of unique competitive advantage, so the program of investment development of the region new to their maximization, will enhance economic growth in the macroeconomic aspect and the strengthening of the role of regions in global markets.

Innovative mechanism of regional economic policy in the institutional aspect contributes to the efficient allocation of productive resources and the rationalization of industry regional structure and is a condition for the formation of regional competitive advantages to achieve growth of efficiency of the macroeconomy.

The main directions of improving the innovation mechanism of realization of regional economic policy of Russia should include measures aimed at increasing the investment capacity of the territory, overcoming the tendencies of depression, the introduction of innovative forms and methods of regional regulation.

In the strategic aspect to strengthen the effectiveness of the innovative mechanism of realization of regional economic policy is necessary to optimize the relationship of Central and regional authorities, strengthening of interregional and international relations, assistance to regions in foreign trade activities, as well as creating conditions for increasing innovative activity of regional business.

In the mechanism of realization of regional economic policy special factor is investment potential, quantitative and qualitative characteristics of which reflect an ordered set of investment resources, and contributes to the creation of new basic production assets as a promising innovative technological system. Therefore, the implementation of a methodological approach to the formation of an integral indicator of the investment potential of the region based on the vector of aggregate ratings in its formation: the units of capacity and for the purposes of accumulation and use of investment potential will contribute to the optimization of the economic policy of regional growth.

A special problem is the implementation of the innovation mechanism of regional economic policy is the formation of a strategy of regional growth, and efficiency of integrated territorial development. Therefore, the measures contained in the development strategies of economy branches and social sphere in the regional context, needs to meet the objectives of strategic planning of development of economy branches and social sphere.

In the conditions of postindustrial stage of development of public relations, the effectiveness of regional economic policy is determined by the level of innovation development of regions as the priority of innovation dynamics in all sectors of the regional economy.

In these circumstances, to the forefront of scientific thought and theory are the study related to the development and implementation of systemic innovation dynamics of the domestic regional economy and resource-oriented strategic economic growth. This approach radically transform traditionally established economic relations in all sectors of the regional economy, advancing the priority of the new economic relationships that are formed on the basis of production and introduction of new high-tech methods of production. These problems actualized global and irreversible transition to a postindustrial society, where the regions are positioned in accordance with the level of innovation of their development.

Specific elements of the innovation dynamics of the Russian regions are uneven, insufficient funding from the state and business in innovative initiatives, challenging the institutional mechanism of commercialization and innovation. This state of Affairs requires certain areas of regional policy to achieve the goals of innovation-based growth: the development of special mechanisms for the implementation of effective forms of regional regulation of innovative activity, development of innovation infrastructure in the regions, creation of tools for large-scale involvement in innovation activities of the regional MA organizations of small and medium businesses, as well as investment from all sources, including foreign.

### **3. CONCLUSION**

Stimulation of process of formation of innovative clusters is a necessary component of regional economic policy. It is important to such fundamental factors as the improvement of education and training, creating opportunities for innovation, improving the institutional environment and dissemination of knowledge and technology.

The result of innovative dynamics of the Russian regions should be the formation of adequate institutional structures conducive to the establishment of an effective mechanism of innovative activity in order to achieve a high rate of regional economic growth.

Therefore, in the framework of regional economic policy it is necessary to create special system of regulatory mechanisms, tools and infrastructure to support innovation activities in the regions.

In the institutional aspect of innovation dynamics of regional growth is a positive trend indicators of development of innovative activity, including the equal participation of innovative enterprises in the functioning of the institutions of the regional innovation and market infrastructure, and increasing innovative capacity of industries and sectors of the regional economy (Ksenofontov, Savon, Serba & Shkurkin, 2016).

In the system of priorities of strategic development of Russian regions, special attention should be given to opportunities to accelerate the transition from a resource model to model high-performance innovation economy. In addition, in the framework of modern innovation policy of Russia become very important aspects related to the formation of regional innovation clusters that define the strategic priorities innovation growth and innovation dynamics.

Regional diversity and uncertainty in the innovation process flow allows the constituent entities of the Russian Federation to act as a pilot site for innovation policy, so that national policy is to obtain relevant information on possible development options. It should be noted that now in the Russian regions conducted similar kind of experiments, though for the most part in the social sphere. Some regions already are demonstrating significant progress in creating an enabling environment for innovative business and the development of various tools to support innovation. However, implementation of these measures will encourage the participation of other subjects of the Russian Federation, and will promote interregional dissemination of best practices.

Management system balanced regional development, aimed at ensuring effective parity of interaction of subjects of regional economy in the process of achieving regional and sub-regional goals, considered in its structure, represented by the subsystems level, decomposed in accordance with the author's grouping of providers of regional development, and component level, clarifying areas of administrative cooperation

of the Executive bodies of state power with other groups of providers. The mechanism of management of balanced regional development it is proposed to use as a dynamic structure that establishes divisional application procedure of the management tools differentiated depending on the management functions and economic activities prevailing in the region and shaping regional development.

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