



# MODERN ASPECTS OF ECONOMIC AND SOCIAL SUSTAINABLE DEVELOPMENT

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## POSSIBILITIES OF EFFECTIVE USE OF SOCIO-ECONOMIC POTENTIAL OF REGIONS

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**Abstract:** Regional development in the country is also reflected in the principles of state policy, one of which is "to ensure sustainable economic growth and scientific and technical development of regions, to increase the level of international competitiveness of their economies.

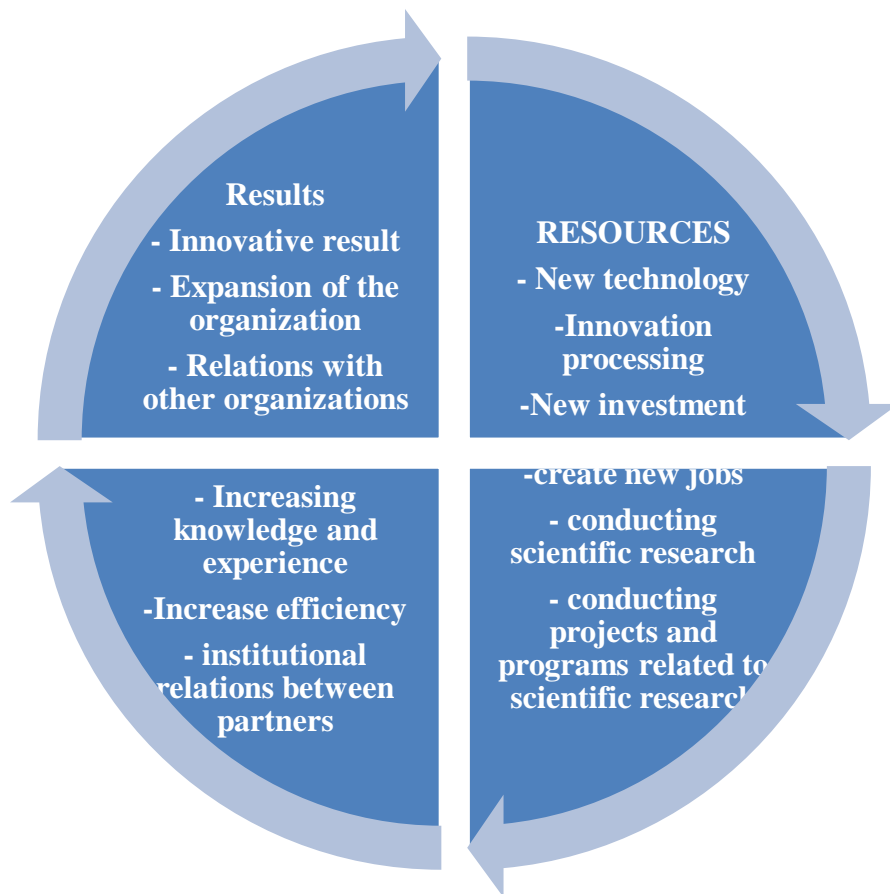
The concept of "integration" (Latin Integratio - restoration, connection) appeared in scientific literature at the end of the 19th - beginning of the 20th century. and unity, based on the integration of any parts, refers to the process of forming a whole. The works of E. Durkheim, M. Weber, H. Kelsen, D. Schindler, R. Schmed, K. Schmidt and many other authors are devoted to various forms and types of integration. The interpretation of the evolution of the forms of integration by B. Balassa, who singled out the free trade zone, customs union, common market, economic and currency union, and full economic integration, was the most popular in the economic literature. widespread.

In scientific literature, international economic integration is often understood as a high-level internationalization of production based on the development of deep and stable relations between national economies, which leads to the gradual unification of national economic systems based on coordinated interstate economic policy. Here, within the implementation of joint projects and programs, industrial cooperation, including the establishment of transnational financial and industrial groups, plays an important role.

In the framework of international innovation cooperation, the state's activities are directed to support the reproduction and sale of innovative products, and to provide them with after-sales service against the background of the disposal of obsolete goods. This implies a contractual framework between the participants of innovative activities in the long term. At the same time, concrete socio-economic results serve as the main goal of international innovative cooperation. Thus, in the context of regional convergence of the countries participating in the integration processes, the regional innovation policy can and should receive the flow of resources from the use of the effects of interstate integration.

In general, interstate integration in the innovative sphere includes "scientific, technological, educational and financial resources, as well as the potential of markets for innovative products and technologies, both for domestic use and for export. The historical analysis of the nature of the innovation process by R. Rothwell shows that the development has passed from simple linear models

of the innovation process to complex non-linear models. Since the mid-1980s, a model describing integration with suppliers and customers has appeared within the company, and since the 1990s, the strategic integration model has become dominant, according to which the company implements a continuous innovation process based on flexibility. V.A. Vasin and L.E. As Mindeli noted, "regional proximity activates relations between business entities, the density of innovative relations attracts new economic entities to innovative systems, regional and interregional interaction is the basis for the formation of an innovative system."



**Figure 1. Integration in an innovative shell<sup>1</sup>**

E.V. Yoda and L.I. Efimchenko considers the aspects of regional innovation policy formation and emphasizes the importance of international cooperation: "Many of the country's companies have dormant production funds that are of interest to foreign partners in establishing joint ventures for the production of innovative products. there is". According to the results of L.N. Semerkova, M.M.

<sup>1</sup> Author development



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Gerashchenko and T.I. Sherstobitova, it is possible to determine the main factors that hinder integration processes. Entrepreneurs of the country are facing difficulties in forming innovation models of the fourth and fifth generations, focusing on hierarchical centralized innovation management systems. As the projects expand, independent innovative activities aimed at finding investors dominate. At the same time, the lack of qualified specialists capable of cooperation and effective cooperation within the framework of large interregional and international projects remains the main problem.

The regional mechanism of innovative development is also actively used in foreign practice, but the approaches to the organization of its regional forms differ significantly from each other. The use of certain mechanisms and tools leads to the formation of qualitatively different national innovation systems (NIS). Taking into account that the prospects for the development of methodological tools related to the formation of a single innovation space within the framework of interstate integration are closely related to the concept of NIS, one of the main tasks is to search for opportunities and mechanisms for unification. Through the interaction of NIS elements, including regional innovation systems (RIS), they should be taken into account in the formation of regional innovation policy, as well as strategies and programs related to it.

E. Yu. Vinokurov and A.M. While researching the concept of "regional integration", Libman distinguishes two processes:

1. Regionalism is based on interstate relations and leads to the creation of international unions, associations and, possibly, transnational institutions (integration from "above"); state scientific-research institutions, including within the framework of cross-border and interregional cooperation. However, if new knowledge is created in the region and innovation partners interact at the global and local levels, global knowledge can be disseminated more effectively at the local level. Elements of the innovation system operate at different regional scales, and cross-border interaction can provide regional competitiveness through interaction with global actors. Thus, a number of conceptual conditions for the activation of cross-border cooperation related to the innovative and economic development of settlements can be distinguished, the need to take into account the impact of global problems in the state strategic planning documents becomes the main factor.

2. The main tasks of sustainable socio-economic development of the country are the need to activate innovative development, post-industrial and digital transformation of the economy, increase migration mobility and solve environmental problems of a regional scale. it is manifested in the formation of socio-economic policy with an innovative direction.

3. It is necessary to take into account and adapt regional strategies and programs to macroeconomic problems and the possibilities of the state's spatial position, which ensures the effective use of limited resources and the stability of economic systems. subjects. These parameters should be reflected in the goals, tasks, methods, mechanisms, tools and target indicators of the innovation policy, both at the country level and at the state level.

4. It was justified that the effectiveness of the management decisions taken by the state authorities and management bodies in the field of formation of the innovation-oriented policy of regional development depends on the effective use of the population's geographical, climatic, demographic, socio-cultural characteristics and economic resources. In the framework of innovation-oriented strategies of socio-economic development of the country, the continuity and speed of diffusion of

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innovations to be achieved by defining and implementing specific goals and tasks will increase. As a result, modern methodological approaches to the formation of regional innovation policy and its content in the context of regional development should be changed taking into account not only the system of factors that determine the quality of setting goals that ensure the implementation of regulatory documents.

Despite the fact that the regional organization of the country's economy is characterized by the concentration of scientific, scientific, technical and innovative activities in large and large urban agglomerations, the transition to an innovative type of development in the economy first of all needs a favorable institutional environment. It ensures the activation of innovative processes, taking into account political and cultural characteristics.

World Bank, UNESCO studies, as well as the results of international rankings reflecting the readiness of countries to transition to an innovative type of development and the "knowledge economy" (Global Innovation Index, Bloomberg Innovation Index, The Global Competitiveness Index, IMD World Competitiveness, The Global Talent Competitiveness Index, Networked Readiness Index, etc.) also reflect the institutional problems of innovative development of the country. Among them, bureaucratization, the weakness of the legal framework and its implementation, in particular, the protection of intellectual property rights, corruption and general difficulties in doing business took the leading places. As a result, we presented the main factors for increasing the effectiveness of setting goals at the stage of regional innovation policy formation.

Research on the possibilities and limitations of regional development has become widespread in the scientific community. At the same time, the analysis of the world experience shows the limitation of setting regional goals and its orientation to solving crisis situations. Despite the fact that the promotion of the development of promising economic specializations of the country's subjects should be carried out through methodological recommendations on the identification of priority directions for the innovative development of promising sectors of the economy ("smart specialization"), among the problems of state strategic planning, the functional and content of documents at the regional, municipal level Methodological issues related to communication have been developed, which will increase the requirements for the quality of the priorities announced by the executive authorities, and their compliance with the capabilities of regional and local authorities will be studied. As a result, the formation of the methodological basis for the development of strategic planning documents is faced not only with the problem of objective assessment of the depth of crisis manifestations in the economy, but also with the need to find effective means of combating the crisis.

Goal setting in our country is faced with a set of misunderstandings that reduce the effectiveness of policies in various fields, the main of which are:

mixing integral and differential objectives; confusing the goal with the costs of achieving it;

confusing the intermediate goal with the ultimate goal. These misunderstandings are most widely manifested in the formation of the goals and objectives of the federal innovation policy and the low level of their achievement at the regional level due to significant differences in their resource capabilities and innovation.

Considering that the regional development of the country is characterized by an imbalance related to the level of economic development, population income, infrastructure development, population concentration against the background of progressive settlements, for example, in the northern regions,



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the implementation of the development strategy and the strategy of innovative development, resource limitations of geographical stratification, underdeveloped financing system and subjects are facing problems such as lack of qualified personnel. Taking into account that the strategic goals of the region are poorly structured, contradictory and hierarchical, and the implementation of the state innovation policy is carried out through the state strategic planning documents, it is necessary to find a compromise between the setting of goals at the regional level and the resources available to achieve them. The goals set at the regional level can be the main limiting factor for ensuring competitiveness and sustainable development. The level of socio-economic development of the country's subjects is determined within the framework of the developing innovation policy.

If we consider the problems of ensuring the competitiveness of economic entities through the activation of innovative activities from the point of view of integration opportunities for regional development. Thus, among the main problems in the development strategy, there is a high share of low-productivity and low-tech productions in regional economies. At the same time, the weakness and problems of the innovative component as a driving factor of regional socio-economic development are relatively undervalued, which is likely to be neglected in the development of relevant regional strategies and programs.

It is based on the administrative principle of identifying promising economic specializations of subjects and centers of economic growth (a source of innovative activity) through the strategy developed in the country, providing opportunities to reduce the variability of their development and potentially increase the flow of resources from the "non-existent". Against the background of the regulatory approach to the development of research centers and small research and production companies - priority" sectors are formed. This testifies to the weak differentiation of the mechanisms of state regulation of regional development. This reduces the effectiveness of the further implementation of the Strategy and the integration opportunities of interregional and cross-border cooperation. The development of large urban agglomerations leads to an increase in the flow of population and resources from remote areas to megacities, to the increase of regional disparities, and to the limitation of the potential to create real and competitive growth poles, including poles that ensure the activation of innovative activities.

It is worth noting that the ability to "compress" space by increasing the speed of movement of people and goods, the speed of information exchange is of principle importance for the formation of regional agglomeration zones. The analysis showed that the developed strategy envisages solving the problems of informatization and digitalization of space, but there are no real measurements of the level of resource costs and the potential of regional opportunities to solve them.

This leads to the low efficiency of the state's strategic planning tasks, including the state's regional and innovation policy, a decrease in the competitive potential of the regions, their subsequent loss of stability, and an increase in the risk of ensuring national security.

Thus, "The economic space of the country is a set of local economic spaces that work in a single institutional sphere, but due to the size of the physical space located between these poles, do not have the ability to change the effect of agglomeration. all "intermediate" to the gaps", it is necessary to search for new approaches and models of regional innovation policy formation that ensure the maximum use of the factors we are studying in the context of the regional development of the country.



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to search for and strengthen the possibilities of integration in different directions (internal and interregional).

Various aspects of regional integration and interregional economic interaction are mainly considered at the internal and interregional levels. On the other hand, considering a number of problems of the theory of real economy and regional studies, he notes the low level of knowledge on the issues of "formation of the parameters of the international economic space in the process of interaction of national economic spaces", which hinders the innovation policy of these regions. makes the study of the problems and opportunities of implementation of integration processes in the formation relevant. Within the framework of our research, we develop in detail the methodology of managing the development of the regional integration of the economy of the country's regions and reveal its importance. increases the possibilities of taking into account the factors of globalization and regionalization.

The author points out that the border regions of the country have a special place in the regional integration of the economy. The border regions, which serve as a springboard for the country's economic cooperation with neighboring countries, ensure the realization of their economic interests, which creates new opportunities for the emerging innovative policy of the country's subjects.

G. Yu. Gagarina emphasizes that geographic and geopolitical concepts complement the physical basis of economic space with the concept of the regional environment of human life and activity, the conditions for the development of human capital. At the same time, virtual development resources (information, innovation, infrastructure, institutional environment) serve as sources of competitive advantages of regions. Based on the above, we set the task of evaluating the possibilities of practical implementation of the following thesis within the framework of the formation of the regional innovation policy: "Among the proposed new elements, it is possible to highlight the development of economic integration, the regions of neighboring countries, the stimulation of innovative processes in regional economies. Thus, the country's regional integration should be focused not only on maximizing the impact of interregional interaction (endogenous potential), but also on expanding regional innovative development opportunities in the context of cross-border cooperation (exogenous potential).

It should be noted that within the framework of the implementation of interstate agreements, projects and programs that institutionalize integration relations, cross-border cooperation can be considered as interregional cooperation, for example, within the framework of a single economic, scientific and technical space. increases the number of countries participating in a given integration object.

The analysis showed that, despite the existence of many tools for evaluating the level of innovative development of regions and the effectiveness of regional innovation policy implementation, it is necessary to develop existing methods. In particular, at the stage of regional innovation policy formation, there is almost no set of practical tools for improving its quality, taking into account the possibilities of regional integration of the country. As a result, our proposals for the development of regional innovation policy formation and evaluation methods cover specific issues of innovative development of settlements in the context of regional integration of the country and are based on a holistic assessment of their competitiveness and innovation potential. They determined the list of factors that have a significant impact on increasing the efficiency of integration processes within the



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framework of interregional and cross-border cooperation between regions in the conditions of the emerging common innovation space. As a result, two expanded groups of factors influencing the results of regional innovation policy in the context of intensified integration processes were identified - these are the innovation potential of the region and the competitiveness of the regional economy. Each of the factors can be described in detail in the list of indicators reflecting its influence. It made it possible to develop a system of parameters for evaluating the integral indicator of the development of the innovative potential of the region (Inn), as well as the integral indicator of the competitiveness of the regional economy (Ksp). In the modern world, integration processes between countries with similar geostrategic, economic, scientific and technical interests are the most important mechanism capable of preserving the sovereignty and national self-identity of these countries in the context of globalization.

We focus on the possibilities of regional innovation policy formation in the context of integration within the country. Similar priorities are indicated in the regional development strategy, which is reflected in the border geostrategic regions of the country.

At the same time, the construction of many countries is a complex and multifaceted process of integration, and there are many problems on its way, and the unity of views of each participant in the union should be formed in order to solve them. Such unity can be achieved within the framework of the system of setting quality goals of countries participating in integrated education.

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