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REGIONAL DEVELOPMENT POLICIES IN UKRAINE: REALITIES AND PROSPECTS

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Theoretical framework of regional policy and regional development, the roles and powers of public authorities, local governments and non-governmental institutions in the formulation and implementation of regional policy have been analyzed.

The priority approaches to developing and implementing regional policy of Ukraine on the basis of the fundamental long-term goals (socio-economic development of regions, overcoming major interregional maladjustments, achieving the reasonable standards of living) have been determined.

Attention is focused on the need to use a differentiated approach to the implementation of regional policies by increasing the regional autonomy in determining the long-term strategy for socio-economic development and then choosing means of its implementation; shifting the emphasis from exogenous development of problem areas to stimulation their endogenous potential, due to the reduction of public resources allocated to the development of these regions; involvement of local communities, business structures and community organizations in the management and solving problems of regional development.

It is substantiated that the improvement and implementation of regional policy in Ukraine will provide organic combination of national, regional and local interests and promote the full use of the internal potential of each region and each location.

Keywords: *regional policy, socio-economic development, regional management level, selective regional policy, interregional disproportions.*

Introduction. In modern conditions for most countries the question of the choice of priorities for regional development, tools, implementation of regional economic policies at different stages of development of the national economy remain a subject of debate, both at the theoretical and at a practical level. The diversity of the

national characteristics superimposed on one of the key problems of the modern regional economic science – the lack of an effective, flexible state regional policy.

Analysis of recent researches and publications. A significant contribution to the study of modern trends and priorities of regional development, principles of formation and implementation of regional policy, the study of existing regional disparities did leading scientists A. Granberg [1], N. Larina [4], V. Leksin [3], H. Leonov [7], N. Mikheeva [5], N. Nizhnik [2], I. Storonyanska [8], A. Sidorenko [7], A. Shvetsov [6] and others. However, a significant number of publications devoted to this question, only confirms the need for further research because of unresolved problems remain with the necessity, the nature of the use of selective influence on regional development, which will provide organic combination of state, regional and local interests, to promote full use of the internal potential of the regions and to reduce the impact of negative consequences of territorial socio-economic imbalances in regional development.

Previously unsettled problem constituent. Ukraine needs new approaches to the development priorities of regional development, and implementation of selective regional policy which would allow to minimize the risks from current global challenges; to transform regional differences in new opportunities for economic growth of the state; to ensure a high level of quality of human life, regardless of place of residence, through the integration of regions into a unified political, legal, informational and cultural space.

Main purpose of the article is to determine the characteristics of regional development associated with the need to overcome existing territorial disparities, elimination of barriers to effective state regulation of regional markets, the formation of civil society, as well as the development of the strategic directions of the new regional policy in Ukraine, as is the model that was used prior to that time, was one of the causes of disintegration trends that threaten the consolidation of Ukrainian society.

Results and discussions. The increasing complexity of problems being solved by the modern state, and the expansion of participants who participate in the development and implementation of regional policy, objectively strengthens the importance of regional management level and makes you appreciate its advantages. Modern trends in management is aimed at the decentralization of many functions of both state and regional authorities. At the state level it involves the transfer of tasks and powers of the lower authorities that represent the interests of local communities and have an immediate obligation to provide them with better living conditions. Regions and local governments become more independent actors who act on their own discretion. The region ceased to be a combination of various organizations, which operate in its territory, and as a separate entity, has increasingly come into competition in economic and political spheres. The increasing role of regions in the

management of socio-economic processes on the ground is an urgent need for life and will contribute to the solution of many social, political and economic problems. This is the real way out of this difficult economic situation, the important towards stability in the state and the formation of civil society. Therefore, it is obvious that the regional policy of Ukraine must ensure a balance between national and regional interests. Outwardly it may seem that the essence of the state regional policy should be geared to the realization of national interests, the preservation and development of a single state in all spheres of life. But this implementation is not practically possible without dialogue with regional governments on the principle that what is beneficial to the state, should be beneficial and regions. To solve regional problems in a timely and effective state authority not be able for objective reasons. Responsible for the sustainability of regional systems lies with the regional authorities.

Thus, the state regional policy, together with politicians from all regions of the country forms the common regional policy, which is conducted in the state. The effectiveness of the state regional policy is determined by the validity of these decisions, both at the stage of formation of the state policy of regional development, and at the stage of its implementation. This policy should be flexible and efficient, and to anticipate its modernization according to existing conditions, the adjustment of goals, objectives and principles of regional development.

The main objective of the regional policy characterize the two sides of:

- economic efficiency, which requires economically rational distribution of production and use of production potential of each region to ensure national welfare;
- social justice, so the territorial distribution of economic activities in which residents of all regions have equal regional development: opportunities to achieve (software), an adequate standard of living.

This reinforces the contradiction between national (growth and performance) and regional (equality) interests. In practice, this contradiction is solved simply enough, because at each stage of historical development in each country is dominated by one of the stated purposes. True on this occasion, noted academician A. G. Granberg, what with all the variety of formulations of the objective of the regional policy always represent a compromise between economic efficiency and social justice [1, p. 96]. The nature of this compromise is connected with the need of redistribution of financial resources leading regions to troubled regions. All of this not only causes a displeasure of advanced regions, but also reduces their rate of development. Finding solutions to these problems, and therefore the dilemma of choosing between economic efficiency and social justice is an important task of the state regional policy.

Overall state regional policy is directed on creating general preconditions for regional development. Tools of this policy have not random assignment and applied equally to all regions of the country, creating economic, organizational and legal

environment of business activity. In case of national policy the determining of the independent and joint actions, authority and responsibility of government in all areas of development of regions are performed; establishment of national policies, procedures and standards of division of property, natural resources, and finances.

Solving the problems of regional socio-economic development in Ukraine is associated with the formation of an economically strong regions. However, in practice, management is complicated because of the lack of effective regional governance, unresolved mechanisms of interaction between the regions and the state, between regions, as an economic subjects and juridical persons, effectiveness of state regional policy. The first priority in this regard is the decentralization of power and expansion of powers of the regions in decision-making and realization decisions related to the problems of the regional development, increased level of financial independence of territories.

In recent years, more and more growing tension on the line "region – center – region" and debating regional political and financial – industry elites for authority on making the decisions in the center [2, p.218]. That's why, it is clear that an important element of national safety of Ukraine, as evidence the recent events in the east of the country, is to prevent the territorial disintegration. In other words, the effectiveness of regional policy is determined by how managed to achieve and maintain a compromise between the national interests and the interests of the local region.

Minimizing the negative effects of territorial disintegration at the regional level requires the development of such a mechanism of regional policy, that supporting local transformations establishing national conditions contributed that every region, trying to become a financial self-sufficiency, at most use their inner potential and less claim to state assistance. This approach to regional policy will contribute the responsibility of local authorities for effective development of the region, the search for new tools to support the regional development, in particular, the unification efforts of the local business, community, local and governmental authorities for overcome the effects of structural changes.

One of the unsolved problems of socio-economic development in the era of globalization is the increasing inter-regional economic differentiation. The heterogeneity of economic space significantly affect on economic structure and efficiency, strategy and tactics of institutional reforms, socio-economic policy of any country. The unavoidable consequence of strengthening regional disproportionality space is the emergence of problem areas. According to international practice, in purpose to levelling the interregional differences, state provides selective support to regions, which retards in development. However, the conventional interpretation of the term "selective support" doesn't exist yet. After all, practice shows that the realization of regional policy in the EU by the objects selective influence can act not only retarded, depression regions, but also crowded and developed regions, which are

the motives of growth. So, becomes the question of urgency, purposefully and character of using selective nature of the state's influence on regional development.

In the scientific literature, release two basic approaches to understanding the role and place of selective regional policy in regional economic policy of country:

- selective regional policy equaled with the regional economic policy;
- selective regional policy is seen as part of regional economic policy of country.

But, the first approach is not quietly correct, because the state regional policy is called to decide not only the problems of interregional economic differentiation in the country, but a such wider circle of problems. Agree with the opinion of scientists [3; 4; 5; 6], which suggesting that the basic content of regional policy is in agreed realization of two independent types: overall-system and selective.

Under the selective regional policy must understand the conscious activity of the administration, which is revealed through selective effects on separate territories for the purpose of achieving effective and / or equable assignment of economic activity in the country [6]. That's why selective policy is called to resist excessive growth of disproportions in socio-economic development of regions. Because the degree of social and economic differentiation of regions is affects on the dynamics and structure of employment, unemployment, profits and real consumption of the population.

There are two types of selective regional policy – compensation (equalizing) and competitive (polarized development).

The policy of polarized development is aimed on stimulating the regions with the highest level of socio-economic development in the state, create a "growth points", solve the problem of employment, form an effective incentives for activation of economic initiative, enterprise development on the local level. The purpose of this policy is to strengthen the economic activity and maximize the national income.

The purpose of the compensation policy is smoothing interregional disproportions by selective influence on problem regions, that is ensuring uniformity of regional development. When the objects of equalization policy are the regions that retard in socio-economic development, we can talk about it's stimulating nature, if the objects of selective policy are congested urban territories, then the equalizing policy has a stimulating nature. Thus, the choice of the type of regional policy depends on the target priority interregional development – reducing the disparity of regional development or growth of efficiency of the national economy in general.

Ukrainian realities indicate that regional policy of the state is characterized by certain contradiction: on the one hand, the real situation and legally defined objectives of regional development demonstrate the need for a competitive regional policy implements, on the other – in the implements and financial assistance to regions dominate the goals of compensation (equalization) regional policy [7].

However, regardless of type, the regional policy must balance the promotion of the most promising areas and the introduction of an effective mechanism to overcome economic and social inequalities, to promote social integration.

According to the National Strategy of modernization "Ukraine 2020", approved by the Cabinet of Ministers of Ukraine, state regional policy is aimed to prevent the growth of disparities that hamper the development of regions; providing comfortable and safe living environment for people, regardless of place of residence. Reducing regional disparities will be provided by increasing the concordance of policies promoting development of "growth points" and support economically less developed and depressed areas [8].

Thus, the difference in regional development in Ukraine causes the need for a differentiated approach to the implementation of regional state politics by increasing the autonomy of the regions in determining the long-term strategy for socio-economic development, choosing the means of its implementation; changing emphasis from exogenous development of problem areas to stimulation their endogenous potential, due to the reduction of public resources allocated to the development of these regions; involvement of local communities, businesses and community organizations in the management and resolution of problems of regional development.

Peculiarities of regional development of the country only reaffirm the unreasonableness of rejection of compensatory politics and confrontation between its goals and the competitive politics of government regulation. The compensatory regional politics is aimed at internalization of positive external effects through the financial instruments and measures of competitive one is aimed at the intensification of entrepreneurial activity and innovative processes in the regions, forming competitive in the national and global environment regional economies. This approach allows to reduce the inter-regional disparity by activating the mechanisms of an spatial resonance distribution of development and reduce the gap between "growth points" and peripheral areas in the macro-regional scale [7].

It is important to note that during the reforming decentralization of management, increasing autonomy of the regions of Ukraine is of the paramount importance. After receiving significantly more financial resources and powers regional authorities will be able to expand their capacities to solve problems of regional development, while public authorities will be able to focus primarily on issues of creating the necessary general conditions. This would mean reducing of the role of the selective component of regional politics and the growth of its system-wide components.

With the decentralization of power and empowerment of regions and their economic independence disappears the question about whom the state should support – underdeveloped regions or regions-leaders. Precisely highly regions will benefit from this process a lot more than when they received the centralized help from the state. *Ceteris paribus* self-managing of their economic and financial capacities will

allow these regions to ensure the qualitative economic growth even without government support. At the same time the underdeveloped regions that do not have the corresponding economic potential and sufficient financial resources, can not do without government assistance. Thus, the role of government is to ensure the free development of the leading regions and help the backward areas.

Conclusions and further researches directions. The increased interest in regional studies is caused by the need to overcome the existing regional disparities, removing barriers to effective state regulation of the regional markets, the formation of civil society, and the development of the strategic directions of the new regional politics in Ukraine, and as a model that was used until now, was one of the causes of disintegration tendencies that threaten the consolidation of Ukrainian society. For the effective implementation of regional politics model of relations between different levels of government, business and local communities have to be dynamic, which allows to regulate the relationship between the center and the regions vertically and horizontally. Reducing of the inter-regional differentiation will facilitate the convergence of the regions in terms of socio-economic development, create favorable conditions for the effective development of the national market, harmonization of the socio-economic reforms, strengthening the unity of the state. The growth of the regional differences complicates an effective regional politics, endanger the regional crises and inter-regional conflicts, enhances the disintegration of the national economy, contributes to the weakening of the unity of the state.

And in conclusion we will add that regional development policies will be effective, if we can provide:

- clear delineation of powers and responsibilities between the regions and the centre, as well as between regions and local authorities;
- financial autonomy of local budgets for implementation by local authorities of their powers;
- promote the development of disadvantaged regions through fiscal and investment promotion.

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ПОЛІТИКА РЕГІОНАЛЬНОГО РОЗВИТКУ В УКРАЇНІ: РЕАЛІЇ ТА ПЕРСПЕКТИВИ

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Проаналізовано теоретичні засади регіональної політики та регіонального розвитку, ролі та повноваження державних органів влади і органів місцевого самоврядування, недержавних інституцій щодо формування та реалізації регіональної політики. Визначено пріоритетні підходи до формування та реалізації державної регіональної політики України виходячи з базових довгострокових цілей (соціально-економічне зростання регіонів, подолання основних міжрегіональних диспропорцій, досягнення прийнятних норм і стандартів рівня та умов життя людей). Акцентується увага на необхідності використання диференційованого підходу до впровадження регіональної державної політики шляхом збільшення самостійності регіонів у визначенні довгострокової стратегії соціально-економічного розвитку, виборі засобів її реалізації; зміні акцентів з екзогенного розвитку проблемних територій на стимулювання їх ендogenous потенціалу, що пояснюється скороченням державних ресурсів, які спрямовуються на розвиток цих регіонів; залучення територіальних громад, підприємницьких структур та громадських організацій до процесів управління й вирішення проблем регіонального розвитку. Обґрунтовано, що вдосконалення та реалізація регіональної політики в Україні дозволить забезпечити органічне поєднання державних, регіональних і місцевих інтересів та сприятиме повному використанню внутрішнього потенціалу кожного регіону і кожної місцевості.

Ключові слова: *регіональна політика, соціально-економічний розвиток, регіональний рівень управління, селективна регіональна політика, міжрегіональні диспропорції.*

**ПОЛИТИКА РЕГИОНАЛЬНОГО РАЗВИТИЯ В УКРАИНЕ:
РЕАЛИИ И ПЕРСПЕКТИВЫ**

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Проанализированы теоретические основы региональной политики и регионального развития, роли и полномочия государственных органов власти и органов местного самоуправления, негосударственных институтов при формировании и реализации региональной политики. Определены приоритетные подходы к формированию и реализации государственной региональной политики Украины исходя из базовых долгосрочных целей (социально-экономический рост регионов, преодоление основных межрегиональных диспропорций, достижения приемлемых норм и стандартов уровня и условий жизни людей). Акцентируется внимание на необходимости использования дифференцированного подхода к внедрению региональной государственной политики путем увеличения самостоятельности регионов в определении долгосрочной стратегии социально-экономического развития, выборе средств ее реализации; изменении акцентов с экзогенного развития проблемных территорий на стимулирование их эндогенного потенциала, что объясняется сокращением государственных ресурсов, направляемых на развитие этих регионов; привлечения территориальных общин, предпринимательских структур и общественных организаций к процессам управления и решения проблем регионального развития. Обосновано, что совершенствование и реализация региональной политики в Украине позволит обеспечить органическое сочетание государственных, региональных и местных интересов и способствовать полному использованию внутреннего потенциала каждого региона и каждой местности.

Ключевые слова: *региональная политика, социально-экономическое развитие, региональный уровень управления, селективная региональная политика, межрегиональные диспропорции.*