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# Innovative Priorities of Building the Concept Sustainable Development Social-Economic Systems of Region

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**Abstract:** The study considers innovative priorities of building the concept sustainable development space social economic systems in current situations which guide to provide preconditions of agglomeration intellectual property in technological and administrative processes business entities. Analysis concepts sustainable balanced development social economic systems is conducted based on innovative approach also strategic aims of development plant facilities are formed based on identification population needs.

Key words: Sustainable growth, space, social economic system, economic innovations, growth pole

## INTRODUCTION

Theories of placing developed the past decade change priorities to other types of placing activity and factors of placement.

### Theory aspects the placement of innovations:

Innovation placement, telecommunication and computer systems, development restructure and converted industrial-technology complexes are becoming new theory objects. In new theories attention moves from traditional placing factors (transport, material, work costs) to problems of infrastructure security, structured labor market, environmental contingencies first and in the last decades move to intangible placing factors (Seliverstova, 2000). It includes: intension, diversity and high-quality level of cultural activity and recreational service; creative atmosphere; people's attachment to their locality and so on. As far as intangible factors are more difficult than tangible yield to quantitative estimate, it took making new informative-analytical tools.

Previous theories based on private interests of producers, sellers and consumers (western school) or on state interests (secular school). More modern theories explain regularity of location in conditions of individual inconsistency, group (corporate, regional) and state

interests. Moreover, new theories analyze and forecast the behavior of process placing members in risks and uncertainty conditions, unlike former deterministic description of research situations.

Research of the making process and innovations spread make the important step in placing theory. Theory of innovation diffusion as a process space was formulated by Western study. Diffusion, i.e., spread, dispersion on territory different economic innovations (new types of products, technologies, management experience and so on) can be in three types: extension diffusion (when innovation uniformly spreading into all directions from the start point), movement diffusion (spreading in particular direction) and mixed type. One generation of innovations has four stages: initiation, diffusion, savings and saturation. This theory is representation of wave-like character of diffusion generation innovations.

Theory of vital regional cycle closely related with a theory of diffusion innovations. It is considering the process of products' production as the process of few stages: new product emergence, rise of the production, maturity (glut), cut. Wide personal contacts needed on the stage of innovations that's why big cities are the most appropriate places for placing innovations. Active production can be placed in outlying regions but it makes

a risk for small cities, because after the stage of glut starting cutting or stopping production as other innovation do not appear in big cities. According to this theory regional economic policy should concentrate on making favorable terms for innovative stage in less developed regions, for example by making scientific and scientifically-practical places (technopolises, science town, etc.).

Theory of structuring and efficient organization economic area lens on functional characteristics forms of space management production and resettlement industrial and transport nodes, agglomerations, territorially productive complexes, municipal and country settlements different types.

Very popular theory of growth pole is boosting the theory of central places, using more modern achievements in economics (in particular, method "costs-output" by Leontiev). At the same time it connects with theory production-territorial complexes in many aspects.

On the basis of the idea of growth poles is the idea of the leading role sectoral structure of the economy and first of all the leading industries, creating new products and services. Centers and areas of economic space where the leading enterprise sectors are located become poles of attraction production factors as they provide the most effective use of it. This leads to the concentration of enterprises, the formation of growth poles.

Western economists have shown that as the poles of growth we can see not only the totality leading enterprises of industry but specific areas (settlements), operating in the economy or the region a source of innovation and progress function. According to their definition, a regional growth pole is a set of emerging and expanding industries, located in the urban area and able to cause the further development of economic activities throughout the area of influence. Thus, the growth pole can be treated as a geographical agglomeration of economic activity or as a set of cities, having the complex of fast-growing industries.

The theoretical regulation of the poles provisions used in many countries in the development process of spatial economic development strategies. At the same time the ideas of polarized development are differently adapted when it comes to economic development of regions or regions of the new economic development. In the first case, the polarization is the result of the modernization and restructuring of the industrial and agrarian regions, creating in them the advanced (innovative) enterprises with modern production facilities

and social infrastructure. This approach has been used in France, the Netherlands, Great Britain, Germany and other countries with a sufficiently high density of economic activity.

In the second case, the most characteristic growth poles are industrial nodes and in particular the territorial and industrial complexes which allow to develop natural resources fully, creating technological chain of production together with infrastructure. The main economic effect is achieving by concentration and agglomeration.

Theory of formation territorial-production complexes in new regions is working out in details by scientists of Novosibirsk's school (Seliverstova, 2000). The theory is using mathematic modeling of the structure, allocation and dynamic of territorial-production complexes. It assumes active organizational and economic involvement of the state in a process of making territorial-production complexes by force of programmatically-objective planning and management.

The principle of functional differentiation economic area is using also in theories (concepts) of interaction the center (core) and circumference. Analyze according to principle of determination strong and weak side of region which had wise spread in a process that estimated the results providing previous programs social-economic development of region, revealing success reasons and crisis processes. The objectives data of regions' resources are subjected to high-priority analyze.

Human resources (age and sex related structure of population, national composition, migration, population grow factors, education, professional membership of busy in any production area, level and dynamic of unemployment, earnings, incomes level of wage, GRP per capita, labor capacity, level and dynamic of physical and mental health, lifetime).

Natural resources (using the land, presence of fossil minerals, recreational resources, historical and natural lions); economic resources (structure of local economy: prevailing manufactory industry which develop much faster; privatization; land ownership; public and private investments; composition and size of municipal services; infrastructure; transport and relations; degree of development small business; "export" activity region's enterprises).

Internal factors of regional development, main and additional branches are adjusting, also it is determined in what degree of development is the region industrial, postindustrial, preindustrial. Depending on that fact it is possible to highlight priority directions to ascertain in

what areas and on what factors based mainly making additional value and based on it to precise aims economic development of region.

In current situation when in some regions are appearing postindustrial trends social-economic development, regional benefits are very important to ascertain not only in production of material goods but also in service. Region should learn how to export service to other regions.

Service production can attract resources and assist prosperity as well as production material merits. Financial, insurance, consulting, audit, communication services, informatics, education, medicine all of these types of economic activities in present can ascertain regional development.

Strategy of using available and making new local advantages is based on the results of analyze strong and weak sides of region. Using existing region's advantages (location, closeness the main markets, demographic features, infrastructure development) is provided in such strategy. Competitive factors are revealing, distinguishing that region from the others as well as possible new factors of competitiveness, measurable development in a process of managing economic development. In this way unrealized regional advantages are forming.

Efforts, directed on development of regional market infrastructure in current Russian conditions become one of the main factors of region development as whole: Social-economic development depends on the fact how wise bank, insurance, consulting, investment and other institutions are presented. In modern world just developed financial area encourages to implant innovative ideas, flexibility and adaptability whole economic complex.

To sum up, should be noticed the accumulation of urgency problems stability development territory masses. Production enterprises, economic structures, institutes of region's authorities, cities and areas are always having an impact by many destabilization factors. Still in Russia the thunder of devastating is not overcome, including physical, system of population living production and social infrastructure, foodstuff provisions, fuel, electric power, etc.

Form market in the end of the day should lead to relative adjustment territorial growth through spillover of capitals, labor, technologies in regions where the efficiency of their use is higher and so on. But at first period of coming-to-be disparities usually are growing. Drive for surviving stimulate trends of autarchy what by-turn temper market growth, limit it's space.

#### MATERIALS AND METHODS

Development of the concept sustainable balanced progress of the social-economic system based on an innovative approach: Study of the ways of creating the conditions and mechanisms sustainable economic development of regions in Russia, the functional study of relevant market and administrative methods is not over yet for many reasons: the loss of methodological guidelines, unclear prospects of territorial social-economic organizations in Russia, the lack of scientific transitions from a predominantly administrative to market relations and etc.

Moreover, the study of sustainability problems and sustainable development is still focused on the study of private issues or issues in various, sometimes easily related to each other areas of theory and practice. Only in recent years began to appear research which attempts to resolve these issues from the standpoint of system-wide views in particular the concept of a scientific substantiation of conditions for sustainable development of regional economy.

Only at the last time are appearing works in which attempted to solve these problems from the point of system-wide representations, particularly science representation of concept of forming conditions sustainable growth economic region.

To sum up, ought to be point that science concept of sustainability and sustainable growth economic regions, in current time mainly includes next components: theory submission about sustainability as universal attribute of social-economic system, contained in it's ability to accomplish functions in conditions of negative impact in special limits by time and power external and internal factors also actively adapt to positive changes.

Direction on fact that origins that merits are consisting in objective existence all kinds of proportions; it can be reckoning as specific resource which have concrete potential, reproducible in appropriate way, showing up and using in special forms, discharge of sustainable growth economic region as a specific object of control in market model of management.

Criteria and indicators of sustainable development, also reasonable aims and goals of management for regions different taxonomy and different types. Integrated summary about perspective methods stabilized activity of federal center, subjects Russian Federation, structure of local self-administration also paths of optimization internal and external economic ratios. Ground ways of overcoming methodological barriers, emerged from the tendency to

see in absolute terms ecological content sustainability and sustainable growth; saving in many abstract outlook to problems of stability territorial social-economic systems, existing under the pressure of more synergetic than practice of regional organization; pointing out that the most significant factors in violation of the sustainable development of the regional economy is the danger of physical destruction fixed assets, gain self-sufficiency, the rejection of adjustment reforms, in particular strengthening their social orientation, state regulation and stimulation of production.

Comprehensive support of the concept sustainability and sustainable development regional economy can reveal the content of the quality (economic, social, institutional, etc.) as well as it's potential, the algorithm of the best use, etc.

The potential of sustainability and sustainable development is the result of inconsistent interaction of multiple factors and conditions. The most important of the latter are so-called regional "growth points". Generally, among the modern theories of regional increasingly more prominent role is playing the concept of poles or centers of growth which was launched by workings Perrow.

In these campaigns economic area right to define as the force field whose intensity is uneven. To the direction of the poles are defining centripetal force but there are also centrifugal force. These poles are grouped like innovation but around a specific leadership industry and the result is a territorial concentration. The last ones are characterized, in particular with the fact there is clear link between produced gross income and investment, economic and social development level, etc.

So, the regional growth poles is a combination of developing and expanding industries which could cause economic growth in the areas of influence. Researchers also found that the emergence of regional "growth points" determined by: first of all by non-uniformity of the scale and production efficiency; secondly, the presence of particularly convenient territories for several companies related industries; thirdly, the growing trend of innovation bias of the big cities to the small and medium where there is a high-tech potential and other factors.

For example, the potential of sustainability and sustainable development of specific enclaves (technopolises, science cities, free economic zones, etc.) is a direct function from their geographical location; the benefits of industrial and social infrastructure of the complex compared to similar complexes potential investors; the degree of market institutions development; the availability of relatively cheap and skilled labor; extent of overcoming the legal, political, administrative and

bureaucratic obstacles to the establishment of new businesses, including those with foreign capital and others.

The concept of "points of growth" with regard to the territorial organization of the country and its regions in many cases, cities and regions can be very productive in practice. This is determined by the fact that civilization is moving towards a post-industrial phase and the "locomotive" and the economy and social and socio-political mechanisms become more and more breakthroughs in technology. However, they cannot occur at all existing fields simultaneously.

Experience in the implementation of these features shows that in some cases, it carried out by persecution strategy, i.e., the development of competitive products and strengthen it's position in relevant markets within existing resources, including innovation and intellectual potential of the region. May be carried out also the strategy of frontiers when it focused on the use of scientific and technical progress for creation of new products and technologies, demand generation, new markets, etc. In that cases where there are natural resources in abundance, you can implement a strategy of their development and export, attraction of investments, use the revenue for the social needs of the region and the development of production, the design on the local market.

Thus to date the Russian scientists carried out a large number of in-depth studies on the problems of state regulation of economic development of regions, including foreign experience in this field. In these studies, there are just focus on the need to reduce disparities in the level of economic development of Russian regions that is to a certain extent, it is proposed in this regard to follow the path of economically developed countries.

## RESULTS AND DISCUSSION

Formation of strategic purposes development food industry enterprises on the basis of determining population needs: At the same time, in our opinion, it is advisable to carry out the interests of the population in the processes of formation of the regional economy on the one hand. On the other hand-to explore the main internal sources of the regional self-development what is not being adequately addressed. These population interests in market conditions are presented by parameters of total demand. In this case, the stability and social balance of the regional economy should be expressed in a certain concentration of incomes of the population in a particularly territory.

Growing concentration of income, in turn, inevitably leads either to a breach of the regional economy integrity (in the case if the bulk of income begins as expenses concentrate in other regions) or to the boosting of it's integrity (when the bulk of the expenditures of the population will be within the framework of regional economy).

It means that the main items of expenditure of the population are the main factors of stability or disintegration of the regions. Thus, in the present conditions are added new economic relations associated with providing stability and balance of social-economic development of regions. They are represented in the structures and the spatial concentration of population income and expenditure.

At the same time the most important feature of the regional economy is the competitiveness of the region and for the majority of the agrarian-oriented regions, including regions of the Southern Federal District, this competitiveness is most acute in the grain products market. The stability and the stability of the competitive position of the region is directly dependent on the scientific, technical and personnel potential, the stability of reproduction processes in the socio-economic system of the region. Competitiveness of the region is formed to enhance the positive state of the phenomenon through the development and adaptation competitive potential and the formation of an adequate potential of economic order

in the territory, taking into account the implementation of capacity development of institutional support regional processes (Edelev *et al.*, 2015; Rokotyanskaya, 2015).

Agriculture of the region is functionally integrates in it's development (or disintegrates during degradation) all of these groups of factors, even to varying degrees. At the same time the stability of the regional economy in the market environment should be characterized by predominant concentration of income and expenditure in the territory: first, the growing income of the population may become a factor of weakening the sustainable development of the regional economy in the event that the bulk of income begins to concentrate in the form of expenditure in the other regions; secondly, these revenues are one of the leading factors in improving stability when the bulk of the expenditures of the population will be within the framework of the regional economy (Tatuev, 2015; Tatuev et al., 2015).

With such approach, the most important factor of regional stability in the Russian context are people's preferences in terms of food costs. This study household's spending steadily kept at the fourth part of the generated gross domestic product. Other studies of expenditure or the population of the state, comparable in terms of expenditure on food in modern Russian practice does not exist. Therefore, focus on this segment of the population's demand should become the top priority of regional economic policy (Fig. 1).

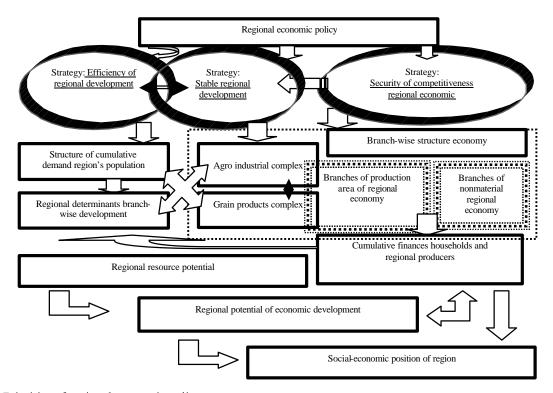


Fig. 1: Priorities of regional economic policy

Direction of attention toward such a considerable region's population demand for foodstuffs and applicable development agricultural complex become in our opinion main necessary and sufficient conditions in forming competitiveness of region. Competitiveness is accompanied by concentration and production centralization and capital in more perspective areas for the market. It boosts the ability of large capital, gives birth to impetuses of product development which population need much. In different stages of market relations development it is appearing in a different way in every region.

Therefore, the bases of regional economic policy should be based on a significant part of production orientation for the main parameters of demand from the region's population. As long as these demand options are not getting their own satisfaction on account regional production, it is hard to talk about not only stability and social-economic balance of regional economy in current Russian conditions but also about any prospects of effective regional development in general.

#### CONCLUSION

Accordingly, formation of regional economic policy should begin with identification of the most perspective areas implementation needs of population in food in which as we have noted concentrated the main part of consumer spending. The ability to provide these needs corresponding development of agro-industrial complex is not only a way to resolve conflicts of competitiveness but also a major factor social-economic balance of regional economy. Therefore, in the present stage of market reforms it's necessary to consider more rigorously features of food supply and demand in regions and identify the main trends in the functional development of the Russian grain product complex.

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