

State Regional Policy in Modern Russia: Problems and Trends of Development

Elina Ilgiziarovna Gaysina, Alexandr Ivanovich Ostroumov and Anton Viacheslavovich Suntsov
Kazan Federal University, Kazan, Russia

Abstract: This study is devoted to research of the current conditions of the state regional policy in the Russian Federation. Despite the importance of the problems of regional policy in Russia, it has not become systemic to this day. "The Regional policy and federal relations" Program adopted by the Russian government in 2014 does not answer many questions and most importantly, it does not determine the current state of regions and efficiency of the state regional policy. Many provisions of the program are declarative in nature such as, for example, satisfaction of the population by quality of public and municipal services; the level of normative legal and methodological support of the powers of the Russian Federation subjects. It is not clear from the program on what and where the money will be spent, although the volume of federal budget allocations for the period 2013-2020 is 119,163,313.8 thous. rub. The main purpose of the study is to identify contradictions and tendencies of modern regional development, state regional policy, to analyze the impact of those policy on socio-economic and political development of the Russian society. To achieve this goal we have made the following hypothesis: does the modern state regional policy in Russia promote the objectives aimed at preserving an integrity and stability of the Russian state contributing to social well-being and development of a new quality of life of our citizens. The study includes the following methods and approaches in the capacity of the methodological basis for research: system and structure and functional approaches, sociological, logical and comparative methods and also analysis of the conditions and factors affecting the state regional policy of modern Russia. As a result of research, we came to the following conclusions: Regionalization issues in modern Russia took particular significance in connection with the collapse of the Soviet Union and the beginning of transformation of its totalitarian model with command-administrative management. The comprehensive and unprecedented for peacetime crisis which follows the collapse of the USSR has led to a loss of 40% of the national wealth and also gave rise to the desire of individual regions to search for ways out of the crisis separately. Under these conditions, the role of regional policy on the basis of which the emergence of a new Russia will be, increases immeasurably. The democratization of all aspects of life, a dramatic expansion in the early 90s of the rights of the Russian Federation subjects sharply actualized the problem on accommodation of interests of the state and the regions and demanded formulation of a state regional policy which objective should be both building a federal state and the socio-economic development of regions. Regional diversity makes it impossible for Russia to transfer an experience of any one country or the use of any one transition economy model tested in the world practice. In the process of its reforming, Russia must create a synthesis of domestic and international experience. The strength of Russia is in its regions, so the state regional policy in Russia is the basis, or the foundation which will allow our country to build a modern state and society.

Key words: Region, State Regional Policy (SRP), regional policy effectiveness, regional differentiation (regional disparities), redistributive regional policy, stimulative regional policy, criteria and indicators for an effective regional policy of the state of the Russian Federation

INTRODUCTION

This study is aimed at solving one of the major theoretical and practical problems of our society: the search for an effective model of state regional policy in modern Russia, revealing the optimal variant of rights and responsibilities differentiation between the federal center and the regions. Following features characterize the modern regional and federal state of Russia: Mixed

ethno-territorial nature of the federation structure that can lead to ethno-political conflicts. About a third of 85 Russian Federation subjects have ethnic load in the their names that is associated with the name of their titular nations and occupy half of its territory. However, in a numerical ratio, 83% of the population are Russians.

Imbalances in scales of regions and, accordingly, the unequal weight of votes of the population living in them. For example, a huge territory on the Krasnoyarsk Territory

and the Republic of Yakutia which territory can accommodate 3-4 countries such as France and small in territory North Caucasus republics, multimillion cities of Moscow and St. Petersburg and on the contrary, autonomous regions which population does not amount up to 500 thousand inhabitants.

Economic, social and political differentiation of regions which differ significantly from each other in living and working conditions, the degree of effectiveness of their social infrastructure, in the specific weight and the role of democratic institutions and procedures, in the level of political activity and the nature of the preferences of the electorate. For example, 17% of Russia's GDP is concentrated in Moscow, 16% in the Khanty-Mansi Autonomous Area, while the majority of the Russian Federation subjects have from 1 to 2% of Russia's GDP.

The peculiarity of the Russian regional space is a large number of problem regions. Among them are underdeveloped regions, or the regions where most of the population of citizens is at or below the poverty line (the Altai, Tyva, Mari-El and others); depressed regions, or the regions where production facilities are not used due to the reduction of the government order volumes, severance of economic cooperative ties, with a sharp decline in living standards (selected areas of Western and Eastern Siberia, the Urals and others); crisis regions characterized by a sharp decline in production (the North Caucasus republics, Chuvashia, Vladimir and Chita regions); in some regions there are acute environmental problems: these include the regions which are characterized by the presence of harmful production or have experienced the consequences of various accidents (a number of regions in central Russia exposed to the consequences of the Chernobyl disaster and also the Volga region, the Urals, Kuzbass, etc.).

Most regions are subsidized and, consequently, depend on the central government subsidies. Depending on the state of the Russian economy, the number of self-sufficient regions could include from 10-12 (during the crisis) to 23-25 regions. In recent years, due to economic and political stability and excellent world conjuncture for major Russian exports products, there were about 25 of such regions. But even this increased number of donor regions shows that the number of subsidized regions in Russia is 2.5 times greater. The condition in which some regions have financial support at the expense of others will maintain for a long time. This can give rise in some regions to a "welfare mentality" while the donor regions lose the incentives for their development and increasing their revenue base in this situation. But most importantly, the real division of the RF subjects to the

"poor" and "rich" ones generates spontaneous migration of the economically active population to the more prosperous regions that distorts the integrity of the federal state.

Reproduction at the regional level of the matrix or the algorithm of existing relationships "center - regions". The issue is an unequal position of the regional structures and municipal entities, especially concerning distribution of resources, both the federal ones which come into a region in the form of transfers or financing All-Russian programs and regional budgets when the lion's share of expenditures is accounted for by support and funding of regional elites and the bureaucracy. The aim of the regional policy at the level of a Federation subject shall be coordination and finding a compromise between the interests of a region and municipal entities.

The larger (than the general federal) authoritarianism degree of regional elites followed by less control over their activities by regional civil society and legal institutions. Authoritarian situation in regions is also supported by "puppet" regional parliaments and regional media fully controlled by domestic power.

In view of these disparities we should also note unreasonably significant role of the subjective factor when personal qualities of the head of a region, his/her personal relations with the central authorities largely determine the nature of the relationship between federal authorities and the region and thereby affect the social and economic situation of living citizens there (Isaev and Baranov, 2008).

MATERIALS AND METHODS

The use of the system and structure and functional approaches to the study of the state regional policy helps to identify its role in the development strategy of modern Russia. The comparative method in the study of the state of the various regions in Russia has revealed the inequality of regions, especially in their ability to use the achievements of modern international division of labor and to attract foreign investment, to introduce modern information and communication technologies. Analysis of the regional differences and the study of regional conditions have allowed us to draw conclusions on improving the current state of regional politics in Russia.

RESULTS AND DISCUSSION

Regional policy is an essential part of the policy of the state which is spatially heterogeneous from the point of view of natural geographic, resource, economic, social, ethnic and political aspects. The aforesaid heterogeneity

causes to make any national political decision taking into account the interests and characteristics of the regions (Solnick, 1996). The state's regional policy grounded on the basic principles and criteria of efficiency, is aimed at organizing the territory of country in accordance with the state development strategy. Current national regional policy is an essential tool for coordination of national and regional interests and is the mechanism by which an optimal balance or the ratio between economic efficiency and social justice could be achieved. The search for such an effective model of regional policy and its subsequent implementation is an important issue for our country. The development of economic integration is beneficial to all regions. In a normal economic environment, neither separation, nor much less separatism are not conducive to the economic and political integrity of the country.

Today in Russia, given its current capabilities, the understanding of the importance to have long-term planning, to elaborate the country and its regions development strategy in the long term up to the years 2020-2030 is being revived.

Regional policy is the activity of state power and control bodies to ensure the optimal development of the Federation and to solve problems of inter-regional and national nature (Taylor, 2014). The essence of the regional policy is to maximize the benefit of the entire community from favorable territorial prerequisites, conditions and factors and to minimize the negative impact of unfavorable natural and economic conditions on the socio-economic position of certain regions (World Development Report, 2009). The subject of the state regional policy is to accommodate the interests of the state and the regions in addressing national and regional problems.

The subjects of the state regional policy are the public authorities which form a single governmental control system consisting of federal and regional authorities. The objects of the state regional policy are: territorial structures, subjects of the Federation, regions that do not coincide in their boundaries with the individual subjects of the federation and playing (because of their resources or the geopolitical situation) a significant role in the development of the state.

Effective and successful modernization of a today's Russian society is possible only with the active public policy, taking into account the specificities of each region. Ideally, the regional policy of the Russian state should be sustainable in the long term and have weak dependence on the political situation and the characteristics of changing political elites of the country and lobby groups. The regional development of Russia could have two possible models.

Using international experience and adapting to the trends of development of the world economy leaders, Russian regions (territories) should be a part of this development. It is proposed to form regional clusters which should become points of growth and the ability to develop and to "entail" other regions and territories (Knyagin, 2016).

This regional policy takes place in Russia in the form of creating a different kind of territorial associations (free special/closed economic zones). However, the effectiveness of such territorial formations has been the matter of contention of the Russian state leadership in recent years and only 2-3 of 20 such entities found to be effective. The second point is often not linked to the economic viability and cost effectiveness and depends on the political situation and the international situation. Suffice it to recall the exodus of foreign companies from the Russian territory and the Russian market due to the sanctions of the West against Russia.

The second model of territorial development is linked to removal of regional disparities. Despite the particular attention of the federal authorities to the problem of regional policy and strategic planning in the field of regional development, significant changes in reducing the differentiation of Russian regions have not happened yet (Zubarevich, 2014). For Russia, the equalization of regions in terms of socio-economic development is the strategic goal of regional policy and regional development. At the same time, today we have to admit that the tendency to growth of inter-regional social and economic differentiation of the Russian regions continues. (Nekrasov, 2014). One could talk of a real equalization and convergence of regions only when the growth rate of underdeveloped regions will be significantly higher than for the more developed regions. For example, the republics of the North Caucasus will need from 20 (Kabardino-Balkaria) to 33-34 years (Dagestan, North Ossetia); (Granberg, 2000). In order to catch up with the average level of GRP upon growth rates which are twice higher than the average in Russia. Current state regional policy of the Russian Federation is mixed: it combines stimulative and redistributive regional policy. This is largely due to the transitional nature of the modern development in Russia, quite frequent and prolonged periods of crisis state of society and economy. The redistributive character of the state regional policy is manifested in that many of the issues of budget, tax, investment, etc. policy are resolved by the federal authorities in practice without the consent of the interests of regions, especially it was typical for 90's beginning of the 2000's. In the crisis years, the number of donor

regions has reduced from 20-23 to 11-12 that is certainly reflected in the formation of the Russian budget and relations between regions and the federal center.

In recent years, the stimulative nature of the state regional policy of the Russian Federation finds its expression in promoting the independence of the regions in development and improvement of the principle of subsidiarity. The principle of subsidiarity is linked to the distribution of rights and obligations between the Russian Federation and its subjects on the basis of the delegation of authority for adoption of specific solutions to the territorial level at which they can be conducted most effectively. To some extent, this is the process of the regional sovereignty expansion of the Russian Federation subjects. A region has the right to develop and implement the strategy and tactics of development within an integrated legal framework in compliance with the national state interests and without causing direct or indirect damage to other regions (Slider, 2005).

CONCLUSION

The importance of the regional trend in modernization of Russia requires an integral strategy of country development with specific goals and objectives of the state regional policy (Kuznetsov and Kuznetsova, 2015). Strategic planning should be based on a mechanism of further improvement of relations between the center and regions, the principle of subsidiarity (complementarity) of actions at all levels of governance, relations which can ensure the real strength and firmness of the unity and territorial integrity of the country and the further democratization of our society.

ACKNOWLEDGEMENT

The research is performed according to the Russian Government Program of Competitive Growth of Kazan Federal University.

REFERENCES

- Granberg, A.G., 2000. Regional development: The Experience of Russia and the European Union. ZAO Publishing House Economy, Moscow, Russia, Pages: 435.
- Isaev, B.A.S. and N.A. Baranov, 2008. Political Relations and Political Process in Modern Russia. SPb Publisher, Russia, pp: 159-160.
- Knyagin, B., 2016. State policy of regional development in Russia. Russia. <http://www.archipelag.ru/authors/knyagin/?library=1147>
- Kuznetsov, A.V. and O.V. Kuznetsova, 2015. Regional Policy: Foreign Experience and the Realities of Russia. Institute of World Economy and International Relations, Moscow, Russia, Pages: 137.
- Nekrasov, N.A., 2014. The rating of the Russian federation regions for quality of life. Rating Russian Regions Qual. Life, 1: 1-24.
- Slider, D., 2005. The Region's Impact on Federal Policy: The Federation Council. In: The Dynamics of Russian Politics, Peter, R. and O.W. Robert (Eds.). Rowman & Littlefield Publishers, Lanham, Maryland, pp: 123-143.
- Solnick, S., 1996. The political economy of Russian federalism: A framework for analysis. Prob. Post Commun., 46: 13-25.
- Taylor, B.D., 2014. Police reform in Russia: The policy process in a hybrid regime. Post Soviet Affairs, 30: 226-255.
- World Development Report, 2009. Reshaping economic geography. World Bank, Washington, USA. <https://openknowledge.worldbank.org/handle/10986/5991>
- Zubarevich, N.V., 2014. Regional Development and Regional Policy in Russia. Eco Publisher, St. Augustine, Florida.