Graduate School of Economics and Management, Ural Federal University and Varazdin Development and Entrepreneurship Agency





# Economic and Social Development SPECIAL EDITION

XIV International Conference «Russian Regions in the Focus of Changes»

## **Book of Abstracts**

Editors: Irina Turgel, Ural Federal University, Russian Federation Hans Wiesmeth, Ural Federal University, Russian Federation Victor Beker, University of Buenos Aires, Argentina



Ekaterinburg, 14-16 November 2019

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## CONTENTS

DYNAMICS OF SOCIAL-ECONOMIC INDICATORS OF LARGEST CITIES OF THE REPUBLIC OF TATARSTAN (2007-2017)......1 Nailya Bagautdinova, Svetlana Khusnutdinova, Rustem Khusnutdinov

THE PROSPECTS FOR USING METHODS OF SPATIAL AND HIERARCHICAL ANALYSIS TO STUDY THE INFLUENCE OF CONTEXT ON THE DEVELOPMENT OF ENTREPRENEURSHIP..3 Konstantin Grishin, Rustam Malikov, Venera Timiryanova, Natalia Kuzminykh

FEATURESOFSANITARYANDEPIDEMIOLOGICALPOPULATIONWELFAREINMONOPROFILECITIESWITHINTHE CONDITIONSOFTECHNOGENIC ENVIRONMENT12EkaterinaZinovyeva, NataliaBalynskaya, SvetlanaKoptyakova

FARMERS' UNION AS A MECHANISM TO ADOPT AGRICULTURAL DRONES IN SUB-SAHARAN AFRICA...... 16 Kitonsa Haula, Sergei Kruglikov 

## DYNAMICS OF SOCIAL-ECONOMIC INDICATORS OF LARGEST CITIES OF THE REPUBLIC OF TATARSTAN (2007-2017)

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#### **ABSTRACT**

The contemporary Russian Federation is high urbanized country. An analysis of the dynamics of the main demographic and socioeconomic indicators of the largest cities at the regional level can help to understand the paths of the country's territorial development in general. The study reveals the role of the largest cities and their agglomerations in the socio-economic development of the region on the example of the Republic of Tatarstan. The cities of the Republic of Tatarstan with a population of more than one hundred thousand people are taken as a study site. The dynamics of the main demographic indicators (population, natural population growth, share of people older than the working-age, share of people younger than the workingage, share of children 0-6-year-old), socio-economic indicators (average nominal salary, average pension, retail turnover, share of cities retail turnover in the region, total area of housing per city dweller) are analyzed. There are nine cities with a population of more than 50 thousand people in the Republic of Tatarstan. All of them are included in three republic agglomerations except Chistopol.

The largest cities of the region are Kazan, Naberezhniye Chelni, Nizhnekamsk, Almetyevsk with more than 100 thousand population. The proportion of the population, living in the studied cities, constantly increases in comparison to the population of the region. According to The Strategy of the social-economic development of the Republic of Tatarstan until 2030, there are three agglomerations: Kazan, Kama and Almetyevsk. They are located at a distance more than 100 km from each other. In the Kazan agglomeration, a post-industrial specialization and strategy goals are defined. Kama and Almetyevsk agglomerations are keeping traditional industrial specialization. Analysis of socio-economic indicators shows an increase in average nominal salary, average pension and a total area of housing per city dweller in all cities. These cities provide more than 80% of regional retail turnover.

*Keywords:* Agglomeration, City, Demography, Region, Socio-Economic Indicator, Urbanization.

## THE PROSPECTS FOR USING METHODS OF SPATIAL AND HIERARCHICAL ANALYSIS TO STUDY THE INFLUENCE OF CONTEXT ON THE DEVELOPMENT OF ENTREPRENEURSHIP

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#### ABSTRACT

The Russian national entrepreneurship system has a complex and multi-level structure, characterized by a wide variety of territorial and other conditions and factors that explicitly and implicitly affect the development of entrepreneurship. Understanding the mechanisms of its functioning is a condition for the formation of effective tools to increase business activity needed to ensure the sustainable economic growth of the country. The purpose of this article is to determine the prospects for using modeling methods that consider both horizontal and vertical relationships when analyzing the influence of territorial contextual factors on the performance of business entities (volume of the shipped goods of own production, performed

works and services), fixed at the municipal level. For this aim, there were compared classic LM (Linear Model), HLM (Hierarchical Linear Model), SAR (Spatial Autoregressive Model) and HSAR (Hierarchical Spatial Autoregressive model). The research is based on the data obtained from 335 municipalities located in 7 regions of the Russian Federation in 2017. The results show that all four models allow for predicting changes in the volume of the shipped goods, however, every model has its own disadvantages and advantages. Based on the value of the log-likelihood function, the SAR model provides the best results. At the same time, the use of the HSAR model has significant prospects for estimate differentiation of the volume of shipped goods, works, and services produced by the enterprise per 1 person. It supports the multilevel diagnosis of the structure of this phenomenon, taking into account the effect of spatial interactions. The use of these models contributes to expanding the existing understanding of the regional system of entrepreneurship and allows determining the influence of contextual factors on the performance of enterprises, which can be used by state authorities in the formation of entrepreneurship development programs at the regional and municipal levels.

**Keywords:** the results achieved by enterprises, the volume of shipped goods, spatial, hierarchical model.

## INDUSTRIAL REVOLUTION 4.0: IS INDONESIA LABOR MARKET READY OR NOT?

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#### ABSTRACT

Innovation and technological development have an essential role in bringing up the concept of a modern economy, namely the industrial revolution 4.0. The industrial revolution 4.0 aims to omnipresent connectivity people, machines, and real-time data, thus forming new business models and raising the necessity of high technology. Nowadays, the presence of the digital era increases the demand for highly skilled and highly educated workers. However, the labor market in Indonesia is dominated by a low educated workforce. Therefore, this study identifying the readiness of the Indonesia labor market in the era of digitalization or the industrial revolution 4.0. The study conducted is based on secondary data obtained from many professional reports and studies carried out by government institutions, enterprises, consortia, journals, and previous research, as well as literature related to this research. The result showed that the current condition of the Indonesia labor market is not proficient at preventing the impact of industry 4.0. This unpreparedness is because the majority of workers in Indonesia have a low level of education and digital knowledge. The heedlessness and demographic bonus can contribute to the causes of poverty and unemployment in the future. Additionally, the education system that does not follow the times will be exacerbated circumstance of the labor market.

Therefore, the educational outcome and the low creativity of human resources can not fulfill the current demands. Whereas, the government should revitalization the education system, facilitate training that could improve the work skills, and increase the education budget to invest in Indonesia's human capital to build the foundation of a more competitive economy in the future, especially industry 4.0. era

*Keywords:* Bonus demographics, Human capital, Industrial revolution 4.0, Labor market, Skill shortage.

## SPATIAL DEVELOPMENT OF POST-SOVIET RUSSIA: TENDENCIES AND FACTORS

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#### **ABSTRACT**

The paper studies the transformations in the spatial proportions of the economic development of post-Soviet Russia in several dimensions: east-west, periphery-centre and resource-processing economies. Theil index and regression estimations are used in the analysis. Changes in the spatial concentration of the population, employed, fixed capital and the gross regional product are considered. The analysis showed that in the post-Soviet period, spatial concentration of economic acivity and increase in differences were observed. interregional The general heterogeneity between the subjects of the Russian Federation determined the main contribution to the value of the overall Theil index. Differences between western and eastern, central and noncentral, resource and manufacturing regions contributed a small part of the differentiation. Along with the general process of spatial concentration, there was a redistribution of economic activity in the predicted directions: from the periphery to the centre, from east to west and from the territories of resource mining to regions of manufacturing specialization. Spatial transformations in Russia were determined by factors of a market and agglomeration nature, such as the capacity and accessibility of regional markets, as well as large urban centres. The positive externalities of the urban economy are determined by the structure of the urban system, significant effects on development are created by large cities. However, the impact of the resource economy on the development of the territory is ambiguous and depends on its weight in the economic activity.

Predictions about the post-Soviet evolution of spatial proportions in Russia were not fully realized in terms of the rate of the changes, a more active dynamic was expected, but they were correct in terms of mechanisms and trends.

*Keywords:* economic activity, empirical analysis, Russia, spatial proportions.

## THE IMPACT OF BONDS MARKET ON INVESTMENT INTO PUBLIC-PRIVATE PARTNERSHIP PROJECTS

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The aim of our research is to find out how the bonds market affects investments into public-private partnership (PPP) projects. Special attention is paid to the analysis of the effects arising from the corporate bonds market. Besides, we analyze the volume of private investment in PPP projects along with the volume of overall investment into such projects. We estimate an econometric model with fixed effects based on the World Bank data for 37 middle-income countries for the period 1997-2018. While there are studies devoted to the impact of the financial sector on PPP projects, our work contributes to the existing research by analyzing the role of government and corporate bonds market. The results show that the bonds market positively affects investments in PPP projects. The impact of corporate bonds turned out to be relatively larger. An increase in the bonds market proved to affect private investments into PPP projects relatively more than overall investments. The positive and significant impact of government bonds market on investments into PPP shows that in middle-income developing countries government financing of infrastructure projects is still substantial. GDP per capita was found to positively affect investments into PPP projects, while the impact of inflation and of revenues from exporting natural resources proved to be negative. The results can be useful for the development of economic policy recommendations concerning PPP projects and bond markets.

*Keywords:* Bonds, Infrastructure, Middle-income countries, Public-private partnership.

## INTERNAL MARKET CONCENTRATION OF COMPANY TOWNS

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#### ABSTRACT

Company towns are essentially focused on external markets. It becomes the cause of the unsustainable development of these settlements in the crisis conditions. In this paper we evaluate the market concentration of company towns and define those settlements that can shift their focus on the internal market due to the unconcentrated market share of a core industry -Novokuznetsk, Krasnoturvinsk, Miass, Karpinsk, Zlatoust and Trehgorny. The market concentration is estimated on the basis of two indicators: the share of revenues of a core industry in the total revenue of the enterprises in a company town and the Herfindahl-Hirschman index on the revenue of enterprises. The result of the evaluation makes it possible to identify company towns with a relatively diversified market, which allows a core industry to be more oriented and develop the internal of goods in comparison with the company towns that have internal market more significantly concentrated. For company towns with a high concentration of a core industry, the development of the external marketing market will remain the dominant task of sustainable development. This result contributes to the classification of company towns by possible opportunities for development, including the internal market refocusing.

*Keywords:* Company town, Concentration ratio, Herfindahl-Hirschman index, Internal market, Market concentration.

## FEATURES OF SANITARY AND EPIDEMIOLOGICAL POPULATION WELFARE IN MONOPROFILE CITIES WITHIN THE CONDITIONS OFTECHNOGENIC ENVIRONMENT

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#### ABSTRACT

The article is devoted to the peculiarities of the sanitaryepidemiological welfare of the population in Magnitogorsk for 2015 - 2017 in a technogenic environment. The article analyzes the influence of the technogenic environment conditions on the socio-economic development of Magnitogorsk. The relevance of the study is due to the importance of the state of health and the quality of life of the population, which are subject to the constant influence of such factors as the negative impact of the environment, the work of large enterprises, poor quality of food and natural resources, and labor protection problems. The article presents the assessment results of the main directions characterizing the sanitary and epidemiological welfare of the population in Magnitogorsk in the conditions of an industrial environment - the state of the human environment and its impact on public health; level of occupational morbidity.

The study results of the occupational morbidity level suggest that at the industrial enterprises of Magnitogorsk the number of workers employed in work with harmful and dangerous working conditions has increased and amounts to 42.95%. In 2017, the proportion of jobs of industrial enterprises that do not meet sanitary and hygienic requirements increased by a physical factor - noise, the proportion of jobs that did not meet sanitary and hygienic standards for vibration and microclimate, illumination decreased, and not a single one was detected by EMI deviations. Chronic occupational pathology in 2017 most often arose as a result of technological processes imperfection (36.65% of cases), the imperfection of jobs (30.0%), constructive shortcomings of labor means (16.65%) and sanitary mechanisms (6.65%), professional contact with an infectious agent (10.0%). The research results are of practical importance, as they can be used to improve existing programs at the federal and regional levels in order to improve the environmental situation in the anthropogenic environment.

**Keywords:** Atmospheric air, Habitat, Public health, Occupational morbidity, Sanitary and epidemiological welfare, Single-industry town.

## FINANCIAL STABILITY AS A BASIS FOR A RISK-ORIENTED ENTERPRISE MANAGEMENT IN RUSSIA

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#### **ABSTRACT**

Enterprise financial stability, also named the level of independence from borrowed capital, is one of the key performance indicators showing how effective a company is functioning. This indicator can have a huge impact on relations with counterparties and the enterprise's competitiveness in the market. The article presents the results of the authors' comparative analysis of scientific approaches to the interpretation of the economic essence of the concept of 'financial stability' as well as internal and external factors influencing the formation of financial stability key indicators. The research also establishes the expediency of the complex approach with the use of a set of coefficients characterizing various aspects of the studied process. The estimation based on statistical data of the state of risk-oriented enterprises of the Russian national economy in the context of various types of activity is carried out.

According to the results of the analysis, the main directions of increasing financial stability, which can have a universal intersectoral character, have been developed.

*Keywords:* Autonomy ratio, Borrowed capital, Financial stability, Own capital, Risk management.

## FARMERS' UNION AS A MECHANISM TO ADOPT AGRICULTURAL DRONES IN SUB-SAHARAN AFRICA

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#### ABSTRACT

There is a growing urgency of food security following the rapid population growth in Sub-Saharan Africa. Food security is greatly threatened by the pest and diseases that attack the farms which are predominantly owned by small household farmers. This has resulted in a gradual decrease in crop yield due to the significant pre-harvest losses. Agricultural drones as part of precision agricultural technologies that are among the best solutions to effectively combat the pests and diseases. However their integration into the traditional practices in SSA has so far not been successful. This paper develops a technology acceptance model for agricultural drones in Sub-Saharan Africa, a conceptual framework to show a structure that can be used to adopt agricultural drones. TAM for agricultural drones proposes a strategy that ensures even opportunities to all small household farmers to benefit from the vast range of services from agricultural drone operations. By focusing on a farmers' union as the core mechanism for the adoption, the challenges and high risks associated are mitigated. Small household farmers no longer need to worry about the initial drone cost, legal requirements and need for technical skills to operate the drones since according to the model, all the responsibility is on the farmers' union. The farmers simply access services as registered members of the union. Having access to advanced technology, will gradually transform the traditional methods to precision

agriculture methods hence leading to the reduction in pre-harvest crop loss, leading to increased crop yield while ensuring food security in SSA.

**Keywords:** Agricultural drones, Farmer's union, Food security, Sub-Saharan Africa (SSA), Technology acceptance model (TAM), Technology acceptance model for Agricultural drones.

## EXPLORING THE RELATIONSHIP BETWEEN E-GOVERNMENT AND SUSTAINABLE DEVELOPMENT

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#### ABSTRACT

In recent decades, digital transformation has been underway thereby influencing the global economy. Digitalization and sustainable development are the most important trends in modern life, but the intersection of these aspects remains a largely unexplored area. The opinion that the use of e-government technologies can provide an integrated approach to the implementation of sustainable development is widely accepted among scholars and government representatives. Governments are finding new ways to effectively create public value through innovative, effective, inclusive, collaborative, open and humancentric service delivery and public policy decision-making leveraging the potential of modern technologies. The digitalization of government can provide the necessary tools to ensure the development and integration of economic, social and environmental aspects. However, there are opponents who believe that information and communication technologies (ICT) provide new challenges for traditional areas of information

policies and moreover can negatively affect the resources of countries. Research methods include a literature review and regression analyses. Regression analysis was used to measure the impact of e-government factors on sustainable economic, social and environmental development. The following indicators are considered as a part of sustainable development: sustainable development goals (SDGs), Human Development Index, GDP per capita and Environmental Performance Index. The results of this study indicate that the concept of government digitalization can be an effective factor for sustainable development. At the same time, there are significant limitations, such as differences in access to technology; poverty and inequality of the population, resource costs that do not allow people to fully use the potential of ICT and e-government for sustainable development. The results of this study disclose new directions for further research. Keywords: Digital economy, digitalization, Human Development Index, E-government, government agencies, Public service provision, Political benefits, Public accountability, Public information, Sustainable development.

## CAN PRODUCTIVITY EXPLAIN REVENUE GROWTH OF THE CROATIAN MANUFACTURING FIRMS: BEFORE AND AFTER 2013?

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#### **ABSTRACT**

In this research, we aim to answer the question: how well productivity can explain the revenue growth dynamics of Croatian firms. We also try to compare the role of productivity in two periods: before Croatia has become an official EU member in 2013 and after. For this, we employ a dataset of 1784 Croatian manufacturing firms, observed from 2010 to 2017. We construct an econometric model of revenue growth on the firm level and estimate the share of the revenue growth variance explained by productivity and its components: static productivity level and dynamic productivity change. We draw several conclusions from the analysis. First, we find weak explanatory power of the productivity and its components, which persists across both periods. Such a result is also evidence of weak market selection mechanism and has been observed in other countries as well. It also should be noted that the static component of productivity can only explain 1-2% of the revenue growth variance. That suggests that levels of productivity and their differences between firms are not as important for revenue growth as the dynamics of productivity.

Again, similar results have been observed before, even for more developed countries. The last finding is that after Croatia has become an official EU member, the explanatory power of the firm-level productivity has decreased. We theorize that some other, more informal, factors may have determined the revenue growth in the second period, after Croatia has become an official member of the EU. It also may be a sign of the increased importance of the productivity of firms from other countries. **Keywords:** Market selection, Productivity, Revenue growth.

## THE IMPACT OF THE TRANSFER OF THE CAPITAL TO THE DEVELOPMENT OF ALMATY CITY

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#### **ABSTRACT**

The article presents the results of a study devoted to the analysis of the development of Almaty after the loss of the capital's functions to identify key problems, justify the advantages and determine the priority directions of the city's development. Foreign experience is analyzed from the position of identification and systematization of the main reasons for the movement of capital. The factors of decision-making on the division of the political and economic center of Kazakhstan and the transfer of the capital from Almaty to Akmola (now Nur-Sultan) are substantiated. Special attention is paid to the study of the preservation of the characteristic features of the capital environment of Almaty: uniqueness, reference and prestige. The attention is focused on the strengthening of social inequality of Almaty residents, which is manifested both in the growth of crime and in the social and urban segregation of the city. The paper notes that since the loss of the capital's functions, the appearance of Almaty has significantly changed: the urban space has become more heterogeneous, multifaceted, unbalanced; the structure of the city has been transformed, new functional territorial structures have

been formed. Taking into account the economic and resource potential of Almaty, the following priority directions of development of the city are identified: solving the problems of segregation of urban space; improving public safety; developing a broad-spectrum service economy; encouraging investment in culture and sports. **Keywords:** Capital, Capital functions, City, Economic development.

## ADVANCED PRODUCER SERVICE FIRMS EXPANSION IN THE FORMER SOVIET UNION: GLOBAL AND REGIONAL HEADQUARTERS

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#### **ABSTRACT**

During globalization transnational corporations (TNCs) perform as global decision-makers, in some cases more influential than states. Their localization strategies mirror the global urban hierarchy and demonstrate the concentration of global decisionmaking in a small number of cities. While the geography of TNCs' global headquarters (HQs) is widely studied, the regional scale is under-researched, especially beyond developed countries. The current research is focused on TNCs expansion in the Former Soviet Union (FSU) region, specifically on the expansion of advanced producer service firms, that are considered as indicators of involvement in the global economy. (Taylor & Derudder, 2015). The rapid globalization of the FSU, occurring simultaneously with hasty space fragmentation, led to the transformation of urban hierarchy in new conditions of the market economy. The paper aims to uncover localization strategies for global and regional headquarters (HOs) of advanced producer service companies within the region of the former Soviet Union, depicting the patterns of involvement in the global economy for FSU cities. The data has been collected and analyzed twice: in 2015 and in 2018. An interconnection between global and local HQs of the global advanced producer service companies (APS firms) has been traced throughout the analysis. Overall, the patterns of involvement of FSU cities into the global economy correspond to global trends. For example, companies with global HOs in London and New York are most pronounced in the FSU space too.

As for the dynamics between 2015 and 2018, a number of Chinese companies significantly increased, though, it has not impacted the geography of regional HQs, because Chinese companies tend to have external coordination of the regional performance. Also, a considerable fall in the total number of regional HQs is reported in 2018. Moscow and Kyiv, most apparent locations for global businesses in FSU witnessed a significant decrease in many regional HQs in 2018, which might be explained by the political uncertainty. Generally, the dynamics of APS firms' performance in the FSU region, observed through the statistics of their headquarters, supports the idea of significant coherence between political disturbances and economic interaction.

*Keywords:* APS firms, Gateway cities, Globalization, FSU region.

## CROSS-BORDER COOPERATION BETWEEN KAZAKHSTAN AND RUSSIA

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## ABSTRACT

The article is devoted to the development of cross-border and interregional cooperation between Kazakhstan and Russia, which form an integral part of bilateral cooperation between these countries. The topic is very relevant, since historically our countries have much in common and are closely related in economic, political, cultural, social, humanitarian and other aspects. The toughening of competition in the world market objectively determines the need for uniting the efforts of interconnected and interdependent national economies of Kazakhstan and Russia. The purpose of the article is to analyze the state of cross-border cooperation between the economies of the Republic of Kazakhstan and the Russian Federation based on a multivariate study of the directions and economic potential of development of border regions, determining the prospects for its implementation in the context of deepening world economic relations. Development of border areas is a natural process of the evolution of productive forces at a qualitatively new level of production relations, which require complex interaction, innovation, use of advanced scientific technologies and educational services and other necessary advantageous conditions for the

development of individuals, businesses, the state and neighboring regions. The features and prospects of cross-border cooperation in the field of trade, industrial cooperation, joint ventures in metallurgy, engineering, chemical, oil and high-tech industries, transport, logistics, etc. are studied. The authors justified its necessity and developed the proposals for effective cross-border and inter-regional cooperation between Kazakhstan and Russia.

Keywords: Cross-border cooperation, Foreign trade, Industrial cooperation, Investment, Kazakhstan, Russia.

## REALIZATION OF RESOURCE POTENTIAL OF THE OLDER GENERATION IN A REGIONAL SOCIETY

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#### ABSTRACT

Elderly people are the most vulnerable social group during the process of implementation of economic, social, cultural and personal rights. The aim of this work is to identify sustainable socio-economic trends in the implementation of resource potential in the regions of the Siberian Federal District (Russia) basing on the Active Ageing Index methodology. Analysis of the realization of resource potential in a regional society involves measuring the employment of older people of different age groups and assessing the level of their social activity. We assessed the realization of the older generation's resource potential in terms of employment and participation in social life. This assessment is based on relevant statistics and a comprehensive survey of living conditions in Russia according to the methodology of the Active Longevity Index (taking the Siberian Federal District). Gender characteristics and settlement aspects are important in assessing the implementation of resource potential.

This allows us to relate the social and economic roles of the older generation and to carry out regular social monitoring of the regions.

**Keywords:** Active Ageing Index, Assessment, Employment, Involvement, Older generation, Region, Resource potential, Society.

## COMPARISON OF OBJECTIVE AND SUBJECTIVE DATA FOR ASSESSING OLDER PEOPLE QUALITY OF LIFE (EXAMPLE OF TOMSK REGION)

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#### ABSTRACT

Currently, the main indicators of the socio-economic progress of society are changing. Their essence takes on a more and more subjective nature. Thus, the per capita GDP indicator gives way to indicators of the quality of life and well-being of the population. Comprehensive assessments are used to study and evaluate multi-structured phenomena. In the last few decades, the scientific community has been trying to offer a tool for assessing the quality of life and well-being of people. At present, we understand that this tool should contain both objective data describing the assessed phenomenon and subjective assessments designed to take into account the internal attitude of people. At the same time, in modern society there is a process of decreasing the share of the working-age population and an increase in the number of older people. Therefore, in this work, we focused on people who have reached retirement age. The paper compares statistical data and sociological survey data to assess the quality of life of older people in the Tomsk region. Sources of information: the analytical report «The senior generation of the Tomsk region: demography and participation in the labor

market» published by Tomskstat in 2019 and the sociological survey «Problems of the older generation», which was conducted at the Tomsk Polytechnic University (TPU) Lifelong Well-being Lab in 2019. The results show that based on statistical data, the quality of life of pensioners over the past few years has not changed or increased slightly, while, based on sociological data, it remained at the previous level or somewhat decreased. **Keywords:** Older adults, Objective indicators, Quality of life, Subjective assessments, Tomsk region, Well-being.

## ANALYSIS ON JAPANESE SHRINKING CITIES AS A PART OF ITS INTERNATIONAL COMPARATIVE RESEARCH

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#### **ABSTRACT**

This paper analyzed issues in Japanese shrinking cities, and evaluated policies that intend to mitigate the impact of shrinkage. The analytical section of this paper discussed the definition of a shrinking city, Japan's depopulation in the coming decades at the national level as well as the municipality level, and the vicious circle of the population loss and the change of economic structure in shrinking cities in Japan. The second section of the paper examined desired policy goals for shrinking cities, along with strategies and approaches to achieve such goals. This paper discussed that the strategies that the Japanese national government has taken since 2014 have been inadequate and ineffective to achieve such a goal. Thus, an alternative initiative, such as Economic Gardening, which focuses on the empowerment of SMEs in the cities, should be employed to complement the government initiative in terms of job creation and income generation. The case study section of this paper analyzed one of the shrinking cities in Japan, which has been implementing Economic Gardening, based on a proposed framework for international comparative case studies. The final section proposes that future research, involving academics in Russia, Japan, and other resource-reliant economies such as Australia, will contribute to the residents of shrinking cities through insightful suggestions for adequate policy formulation and implementation.

*Keywords:* Depopulation, Economic Gardening, Regional Cities, Shrinking Cities, Small-and-Medium-sized Enterprises (SMEs).

## SPATIAL ASPECTS IN THE STRATEGIES OF MAJOR RUSSIAN CITIES

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#### **ABSTRACT**

The article discusses problems of strategic planning and management in the Russian Federation, in particular the lack of unified methodology. The conceptual framework of the study is based on the theoretical principles of strategic management, regional and spatial economics. Approaches of Russian and international scholars to strategic planning, preparation and updating of strategic planning documents of territories are analyzed by applying a set of methods, including the dialectical and cause and effect methods. The article compares strategic and territorial planning in the USSR and Russian Federation. The empirical part of the study focuses on the current versions of socio-economic development strategies of major (million-plus) Russian cities. The analysis of priorities specified in these documents, in particular the way they address questions of spatial development, has shown that at the moment there is no universal agreement concerning the nature of spatial development processes: in each Russian city these processes are different and are interpreted differently. The major Russian cities were divided into three groups depending on how the current versions of their socio-economic development strategies deal with spatial development. The theoretical and practical significance of the study resides in the fact that it stresses the need to develop a more unified approach to strategic planning in Russia and enhance its efficiency.

It is shown that for efficient spatial development it is important to optimize priority-setting decisions and devise adequate mechanisms of strategy implementation. These findings can be of interest to undergraduate and postgraduate students, researchers, specialists in the field of socio-economic development strategies of territories of various levels, public servants and other audiences.

*Keywords:* Largest City, Spatial Development, Spatial Planning, Strategic Planning, Strategy, Territorial Planning, Urban Planning.

## THE REGIONAL SPECTRA FOR THE ENTREPRENEURIAL MOTIVES AND THE DISSEMINATION OF ENTREPRENEURS' KNOWLEDGE IN THE CONTEXT OF MODERN DISCURSIVE FORMATION OF ENTRENEURSHIP

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#### ABSTRACT

Entrepreneurship is conventionally defined as the dynamo of economic growth and social development in country-wide and regional aspects. Meanwhile, the policies to stimulate entrepreneurship often do not reach the goal because of the oversight of entrepreneurs as policymakers not only in relation to each other but also to the government and pro-government businesses. That poses the problems about the political and discursive nature of entrepreneurship and necessitates the research of the basic set of meanings ascribed by the entrepreneurs to their occupations as a special object within entrepreneurial and regional studies. The paper is aimed at singling out phenomenological features of the entrepreneurs` perception of their walk of life from the perspective of regional development of the entrepreneurship as the political and discursive wholeness. Hence, the research is subject to social constructionist methodology rendered by the Foucauldian analysis of discursive formations. The results obtained are as follows. Firstly, the classical discourse of entrepreneurship is shown as justifying the existence of the entrepreneurs and indifferent to the entrepreneurs' life world. Secondly, the modern discourse, instead, is concerned with the entrepreneurs` attitudes to their role and is formed by the confluence of traditional opportunity-oriented issues with the values-based distinction

between causal and effectual logics representing the antithetic comprehensions of the means-ends relations. Thirdly, the discursive formation of the entrepreneurship bounded by the specified discursive flows is comprised of the basic meanings of the entrepreneurship as the inherently valued phenomenon. The entrepreneurs are distinguished according to these meanings as entrepreneurial actors drove, respectively, by the values of profession, autonomy, emancipation, and power over the future. **Keywords:** Discursive approach, Effectuation, Entrepreneuring, Entrepreneurship, Formation of discourse, Material-discursive practices.

## DIFFUSED URBANIZATION, AND INDUSTRIAL CLUSTERS IN NORTHEASTERN ITALY: WHY TERRITORY STILL MATTERS IN THE GLOBALIZED WORLD ECONOMY?

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#### **ABSTRACT**

The paper tackles the scientific question if, and to what extent "territory" matters in explaining economic development processes in times of increasing globalization. The territory is considered as a complex structure of urban and rural spaces, landscapes, social and economic practices, institutional framework, and, broadly speaking, cultural features. Economic development is analyzed focusing on the case study of North-Eastern Italy industrial district-issued from processes of "diffused industrialization". An in-depth analysis of this development model in terms of resilience and innovation shows in fact that its genesis and transformation are the results of long term adaptation, linking in a diachronic interpretation early modern agricultural practices, to current successful strategies in the global market. The entrepreneurial approaches of "mixed agriculture" – family-based labor specialization, pluri-activity, a juxtaposition of artisanal/industrial and rural work, small landownerships – actually represented the material, and cultural base on which emerged the diffused industrialization of the 1950s and 1960s. Widely spread in the countryside, spontaneously grouped into homogeneous sectors (industrial districts), diffused industrialization positively reacted to exogenous opportunities, as the reconstruction period after the war, the outsourcing strategies of the 1970s and -80s, or the early globalization of the 1990s, which enhanced concurrence, but also opened new markets, and opportunities. Diffused industrialization also managed to react positively to the long term stagnation

characterizing our economies in the new century, showing, in particular during and after 2008-09 crises, remarkable capacities of deep transformation. Successful firms in all industrial districts, in fact, elaborated new strategies capable of insuring development in a globalized world largely exploiting namely their specificities embedded in traditional territorial assets. Stressing this result as evidence of the relevance of the "territory" in economic development, the paper also opens new paths of research, highlighting how territorial studies could be extremely relevant for analyzing economic growth processes, and opportunities.

*Keywords: Diffused city, Economic Development, Industrialization, Industrial Cluster, Italian Economy, Territory.* 



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