

Foreign experience of social and economic development management of the region (the example of Finland)

Kurpayanidi K. (Republic of Uzbekistan)

Зарубежный опыт управления социально-экономическим развитием региона (опыт Финляндии)

Курпаяниди К. И. (Республика Узбекистан)

*Курпаяниди Константин Иванович / Kurpayanidi Konstantin - доктор философии по экономике, профессор,
кафедра экономики,*

Российская академия естествознания

Ферганский политехнический институт, г. Фергана, Республика Узбекистан

Abstract: *we study the experience of the main areas of management of social and economic development of countries in the region. The analysis on the example of the European Union member – Finland is conducted. The principles and features of regional management are identified. The recommendations for its effective use are given.*

Аннотация: *в работе изучается опыт основных направлений управления социально-экономическим развитием региона государства. Проведен анализ на примере члена Европейского Союза - Финляндии. Выявлены принципы и особенности регионального управления. Даны рекомендации по его эффективному использованию.*

Keywords: *regional policy, socio-economic development, governance, the Finnish economy, efficiency.*

Ключевые слова: *региональная политика, социально-экономическое развитие, управление, экономика Финляндии, эффективность.*

Innovative activity of regional clusters acts as a necessary condition for improvements of quality of life as well as ensuring economic growth. As a result social and economic policies undergo considerable changes - regional innovative and technological policy becomes its major component as provision of stability of economic structure of the territory [3, p. 13].

Finland is one of the leading countries in the sphere of building a knowledge economy. It has a wide variety of theoretical and practical experience in management of innovative and technological development of territories. In Finland, high regional differences in the level of innovative and technological potential, which conditioned to the uneven character of innovation and main growth factors distribution, are observed.

The economy of Finland can be characterized as one of the most highly-organized and dynamically steady economic systems. High rates of economy and social development were in many respects reached thanks to the country's transition to an innovative type of development during the last 2 decades. Among the main components of this structural transition of the country to another type of economic growth the following aspects should be noted:

1. An increase of international competitiveness of the national economy with new foundations, including the involvement of a new system of economic development resources - human potential, scientific and educational infrastructure, favorable conditions of innovative development, etc.

2. A formation of a new basic export-oriented sector during the 1990's - production of information technologies and telecommunications.

3. Appearance of new agents of economic development of the country - large technological companies, with global presence in hi-tech markets with high rates of growth (telecommunication and so forth).

4. A leading role in the process of the structural transition was played by active public policy: the government headed for increasing an innovative component and efficiency in all sectors of economy.

For further economic development in these conditions, key value is gained by a new set of factors - so-called factors of "a new economic geography". Further development of the national economy and certain regions depends on the dynamics of these factors and their territorial organization [2, p. 37]. One of such factors is human potential. Among the main tendencies of human potential formation during the last few years a high level and the dynamics of growth indicators of human development in comparison with the global average (a population share with a higher education), a high level of population income and their innovative activity (the domestic consumption market of innovative products is formed), is one of the best in the world indicators for quality of life and environment, a great appeal of Finnish cities for highly qualified personnel should be noted as well [5]. The following major factor of innovative and technological development is the level of educational infrastructure development. Finland is one of the leading countries in the world regarding the level and quality of education of the population. There is a wide network of post-degree education in the country thanks to active policy of lifelong learning. This policy provides flexibility for the labor market and the possibility of rapid qualification change which is especially important for the conditions of structural changes in the economy.

The specialization of the Finnish economy and its territorial organization is also a key factor of innovative and technological development. In the country the structure of the economy where the service sector dominates was created. High-tech industries and companies have steady positions in foreign markets, with high forecasts of growth: telecommunications and IT, electrical equipment, biotechnologies. A special role in providing innovative and technological development of the territory belongs to an institutional factor. Thanks to a long and consecutive strategy of innovative growth in Finland a holistic and steady structure of a national innovative system was completely created. Finland became the first country which accepted the concept of a national innovative system as a basic element of policy in the sphere of science and technology.

It is possible to admit that a developed national innovative system with dynamic stability has been created in Finland. Regarding the indicators of innovation development, Finland takes first place in the world. As for the majority of such values of innovation development like the amounts of financing, obtaining patents, export of a hi-tech production, a share of employed in research and development sector, Finland considerably surpasses average indicators in OECD, conceding only in foreign capital volumes for researches and development, and also in service providing of innovative companies.

A model of innovations oriented not only on external, but also on internal demand has formed in Finland: approximately half of the enterprises are occupied with an innovative activity or of innovation introduction, nearly a quarter realizes internal research projects; consumer activity in the segments of innovative production (the population consumption of hi-tech products) is high.

Regarding innovative and technological clusters development, Finland is a world leader. A developed technique of the research in these existing regional clusters includes the following indicators which reflect their competitive stability: a) size indicators (total number of people employed in a cluster, a share of this cluster from the total number of people employed in the field in the territory of EU); b) the coefficient of the region specialization on this field; c) the coefficient of localization of a certain production on the territory of the region; d) export potential [1, p.10].

Summarizing the results of the analysis it is possible to claim that the largest clusters are the clusters of telecommunications, finance and business services, education, a cluster of information technologies, power industry which are located in the southern provinces of the country (with the center in Helsinki).

The province Uusimaa (the capital region) makes a 35% contribution to the gross domestic product volume having a 2% share in the total area of the country.

An active regional innovative and technological policy, despite considerable successes, did not reach the goals of a social and economic landscape leveling of the country. Nowadays a considerable differentiation of regions in the level of innovative and technological potential still remains [4, p. 102].

The first type of regions refers to leading innovative systems. Such provinces as Uusima and Pirkanmaa where the largest cities of the country Helsinki and Tampere are situated respectively belong to this group. This group of regions is characterized by the highest indicators of the level of human potential development; there is an infrastructure for training staff of the highest category.

Strong innovative and technological systems relate to the second type. These are the regions of innovation introduction - Iytä Uusima, Satakunta, Central Finland and Ostrobothnia. The development of science and innovation sphere happens in many respects thanks to the request of a real sector of the economy for technological modernization in this group of regions. The regions have a developed hi-tech business sector where approximately 6% of the labor market is employed, but the regions still lag behind the leaders (by about 7%) in the development of knowledge-intensive service sectors.

The regions which can be characterized as the centers of science and high technologies with medium-level development belong to the third type. These are the provinces Pohjois-Savo and Keski-Suomi. It is the center of investment attraction from the state and business, but with a great state share.

In these regions a large number of the state scientific centers is concentrated and the state allocations for science are rather high.

The regions of the fourth type show a level of innovative and technological system development below the national average. A large group of provinces refers to it - Varsinais-Suomi, Etelä-Savo, Keski-Suomi, Pohjois-Savo, and Keski-Suomi. Stimulation of technological updating of local economy and industry sectors, development of innovative and technological infrastructure can become a prospective task for this group of regions.

The fifth type includes Lapland, South Karelia, and South Ostrobothnia - the regions which are in the first stage of an innovative system creation. This cluster of territories is notable for low investment rates in scientific activity (in comparison with the majority of regions) - about 1% of GRP, the state expenses are high, and business orders for scientific development are almost absent. The fifth cluster is distinguished by low values in science intensive sectors. Only one territory found itself in the sixth cluster - the province Central Ostrobothnia. It is the territory which virtually does not have any elements of knowledge economy.

Thus, the regions with a large-scale and diversified labor market, a developed education system, a large share of highly qualified personnel among employed workers have the greatest potential of high-tech industries development as well as an innovative potential [6, 7].

The most effective forms of a territorial organization of innovative and technological activity within knowledge economy are regional innovative systems which basis is made by the innovative and technological clusters included in the networks of global exchanges [2, p. 22].

References

1. *Afonina A. G.* The role of the government in the course of an economy clustering // *Science Prospects Magazine*, 2011. № 1 (16).
2. *Butova T. V.* The role of regional zones of growth for development of the Russian economy. Minsk: GIUST BGU, 2012.
3. *Liputskaya M. S.* The features of formation and development of regional innovative and technological clusters at the present stage (the example of Finland) // *Materials from the II International scientific and practical conference "Current trends in the economy and management: new view"*, 2010.
4. *Zekoh A. A.* Institutional and innovative space of regional growth // *New technologies*. Issue.1. Maikop: publishing house of "MGTU", 2012.
5. *Shljamin V. A., Linnik L. K.* Opyt Finljandii v povyshenii konkurentosposobnosti nacional'noj jekonomiki // *Rossijskij vneshnejekonomicheskij vestnik*, 2005. № 5.
6. *Kurpayanidi K.* Innovation component of the business environment as a factor enhancing economic growth // *Economics*, 2015. № 1 (2).
7. *Margianti E. S. et al.* Systematical analysis of the position and further development of Uzbekistan national industry in the case of economic modernization. Monograph. Indonesia, Jakarta // *Indonesia, Jakarta, Gunadarma Publisher*, 2014.