Sustainable Social and Economic Development of Russian Municipalities

Subjects: Economics

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Sustainable social and economic development of municipalities has been assessed in Russia. In Russia, the issue of improving socio-economic sustainability of municipalities in the region through the assessment of its indicators are particularly relevant. Regional policy measures to equalize the level of socio-economic development should be designed, taking into account the identified features of the territorial development of municipal districts.

municipalities socio-economic sustainability integral index

1. Introduction

The presence of fundamental approaches to the justification of the sustainable development concept at the mega- and macrolevels is currently impacted by the practical absence of systemic theoretical and model representations about the mechanisms of sustainable development management of socio-economic systems at the mesolevel. The conceptual framework of sustainable development management of socio-economic systems of individual regions, although taking into account nationwide approaches to sustainable development management, is nevertheless formed under the influence of the specifics of system organization of the economy of a particular region [1][2][3]. The global processes of globalization and regionalization, on the one hand, and the processes of market transformation of the economy and modernization of federal relations in Russia, on the other hand, determine their multidirectional and contradictory impact on the sustainability of regional socio-economic systems within a single national market space. In this regard, there is an objective need to develop regional sustainable development management models in order to aggregate these consistently into, first, an emergent inter-regional model and, then, into a national model. The problem of sustainable development at the mega- and macrolevels is mainly considered from the anthropocentric approach, which focuses on reconciling the goals of socio-economic development with the limited capacity of the ecological system. The reproductive approach to the sustainable development of the region's socio-economic system allows us to present it as a holistic system with multifaceted economic, innovation, social and environmental development features, ensuring the implementation of the systematic principle in the study of sustainable development issues [4][5]. The transition to a new paradigm of sustainable development management of the region's socio-economic system requires: studying the internal mechanism of its sustainable development; determining its driving forces and imperatives; constructing the spatial and temporal models of the comprehensive assessment of sustainable development of the region's socio-economic system; taking into account the susceptibility of the current economic environment to innovation; and balancing development of systemic elements of regional economy and the stability of its indicators dynamics. Under modern conditions, the role of municipalities

in terms of the socio-economic development of the country is increasing, as their territories concentrate significant reserves for increasing economic growth, reducing the differentiation of living standards, and forming and implementing effective management actions. Municipalities are the basis of the entire socio-economic system of the region; a fact which highlights the need to improve the effectiveness of municipal governance [6][7].

Addressing emerging governance issues is an urgent challenge for the federal, regional and local administrations, as well as for members of the local community. Each of these have an interest in improving the quality of life of the population and the successful development of businesses and organizations operating in the area. In world practice, management tools at the federal, regional and municipal levels are usually developed using the concept of sustainable development. The special task of developing the directions of sustainable development of municipalities is to: identify measures to strengthen the economic integrity of the region; reduce differentiation in terms of the levels of development of territories; and accelerate inter-municipal integration based on the elimination of administrative and economic regional barriers, improvement of market and transport infrastructure, and creation of unified environmental, economic and social space. The ultimate goal of the sustainable development management of territories is the expanded reproduction of the population under appropriate socio-economic conditions. At the same time, it is important to create conditions for solving problems, such as ensuring full employment and social justice, growth of real wages, rational use of resources, and expansion of social infrastructure. However, theoretical and methodological foundations for assessing the sustainability of the socio-economic development of municipalities in the region (in our case, in the Voronezh region), have not yet been sufficiently developed, although such developments are demanded in practice. Therefore, the high theoretical and practical importance of research into the issues of assessing the sustainability of the socio-economic development of municipalities and the insufficient degree of their development determine the relevance of this study [8][9][10].

Regional development is shaped by trends in the country's socio-economic development, the availability of human capital, the level and quality of life of the population, and the capacity for rational use and reproduction of natural resources. At the same time, imbalances of development both within individual regions and imbalances in terms of the level of development of different regions can disrupt national security. This is why not only the sustainable development of the country is important, but also the sustainable development of its regions and municipalities. At the same time, the development of national strategies is only an outline of the country's development priorities. The real achievement of these priorities takes place at the local level [11], and is based on the individual potential of each region. It should also be remembered that the policy of aligning regional development, adopted by the EU [12], is ambiguous in countries with different rates of socio-economic development. The systemic management of sustainable development is of great theoretical and practical importance, since the effective use of the potential of both an individual country and its regions for sustainable development is only possible through conscious, purposeful, and science-based action to transform regional systems. Despite the activity of scientific search in this direction, some aspects of the implementation of measures to ensure the sustainability of the regional economy show new problems in terms of the practical and scientific-methodological content [13]. In addition, recently, managerial state and regional decisions have been made without a clear understanding of the systemic nature of the issue of sustainable development in the individual territory, and, at times, a lack of adequate financial support in the implementation of measures for the management of territorial development. This is why the theoretical and

methodological foundations for ensuring the sustainability of regional development, as a condition for strengthening the creation of effective potential of territories with the effective consequence of improving the quality of life of the population and human potential, need to be further fleshed out. Nowadays, human capital provides competitive advantages on the scale of national and regional economies to a much greater extent than material resources [14][15][16].

2. Sustainability Assessment of Social and Economic Development of Municipalities in Russia

It should be noted that there are significant differences between domestic and foreign systems for assessing socio-economic development. In contrast to Russian methodologies, foreign integral assessments do not include formulations related to the concept of “sustainability of socio-economic development of municipalities”. Foreign methodologies more often use a system of indicators for assessment, while the use of integral assessment is rarely used, sometimes appearing in particular in cases of measuring the social sphere (e.g., quality of life). The existing foreign methodologies of integral assessments are developed mainly by international organizations and are focused on comparisons between countries, while in Russia there are methodologies related to specific territories (municipalities, regions, federal districts, and the state as a whole).

This can be explained by the fact that foreign methodological problems of sustainable development assessments are similar for both countries and regions. At the same time, the key feature of foreign assessment methodologies is the wide spread of qualitative (expert) assessments whose methodologies are most often not disclosed, which makes it difficult to find their formulations and parameters. The abundance of foreign research centers ensures that there are assessment methodologies designed for each sphere of social and economic development. For example, education is measured by the UNESCO system of indicators, and health by the World Health Organization’s “health strategy for all”.

Unfortunately, full or even partial use of foreign indicators and expert assessments in the Russian Federation is not possible due to a shortage of independent and authoritative research centers. However, foreign experience in the development of assessment systems is still of interest for studying approaches to the formation of methodologies. The problem in assessing the sustainability of socio-economic development of the Russian Federation municipalities is the lack of a unified system that includes a comprehensive analysis of all aspects of a particular indicator. There is a need for a common methodology, which would cover and take into account all features of the territory, its positive and negative performance indicators, subjective and objective assessments, and an accessible system of interpreting the monitoring results, which was done in this research. Such a methodology could contain a sufficient number of indicators and indicators for a comprehensive assessment, expressed in the form of relative values.

Thus, the proposed methodology, has individual features in limiting the number of basic indicators that relate to the most important areas of the socio-economic system of the region. It, along with existing approaches, makes it possible to determine the level of sustainable socio-economic development of territories, which contributes to

obtaining more objective results. This methodology can be used in the development of a regional strategy for socio-economic development.

The socio-economic systems of the region's municipalities are unstable and conflict-prone for certain reasons. First, these systems are complex and have many levels. They include many economic actors, each pursuing their own interests.

The social nature of economic actors leads to their limited rationality, which makes it difficult to predict and manage their behavior. Secondly, as they develop according to the market model, modern economic systems aim at intensive growth and are subject to constant change.

These changes are often in the interests of some economic actors and contrary to the interests of others. Third, socio-economic systems are imperfect, despite numerous attempts to optimize them. Ideal models (including the market economy model) of the development of these systems are very difficult to implement in practice. This process is made more difficult by the differentiation of socio-economic systems and the difficulty of adapting the models to the current level of development of the country as a whole.

In order to equalize the level of socio-economic development of the municipalities, a number of strategic tasks need to be solved:

(1) Stimulation of economic growth points (agglomerations, cities, in particular small towns).
(2) Strengthening of opportunities for the development of territories in need of state support (macro- and micro-level).
(3) Counteracting crises in problematic territories (sparsely populated rural areas, border areas, etc.).
(4) Development of infrastructure to support the provision of public services and increase the investment attractiveness of territories.
(5) Development of transport, engineering, social and security infrastructure.
(6) Human capital development.
(7) Promotion of entrepreneurship, support of business internationalization in the SME sector.
(8) Support for innovation activities in municipalities.

3. Conclusions

Quantitative assessment of the sustainability of a municipality's socio-economic development has traditionally been based on a set of measurable indicators and indicators for regular monitoring of the situation. This approach provides an opportunity to identify missing areas of monitoring (rarely considered due to the complexity of the assessment procedure) that need to be monitored in order to achieve the overall goal of increasing sustainability. The authors used indicators and methods to assess socio-economic development and its sustainability, adapted to the statistical data in the framework of the developed monitoring mechanism. A system of indicators, including social and economic indicators, was developed to quantitatively assess the level of sustainable development of municipalities. The methodology used to assess sustainable development should take into account the basic principles of cluster methodology, i.e., it should be implemented taking into account the multiplier effects of inter-regional and inter-sectoral interaction.

Differentiated measures are needed for territories with different levels and potentials of socio-economic sustainability (for “strong” municipalities—stimulating measures, for problem and crisis ones—measures preventing their further degradation). The proposed approach to assessing the sustainability of socio-economic development of a region can be used for the purposes of regional governance, taking into account the Russian specifics of socio-economic development. The practical use of the obtained results can be implemented in the practice of regional management. The proposed integral assessment, considered in dynamics, can act as a criterion of regional social policy performance, as it covers the key factors of improving the conditions for human capital formation and development. It makes it possible to establish areas of responsibility (including personal responsibility) of regional authorities for improving assessment, and facilitates the development of concrete and targeted measures in this area from a systemic perspective.

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