

PAPER • OPEN ACCESS

Investment and Innovative Component of Strategic Development of the Region (on the Example of the Belgorod Region)

To cite this article: A S Troshin *et al* 2019 *IOP Conf. Ser.: Earth Environ. Sci.* **272** 032236

View the [article online](#) for updates and enhancements.



IOP | ebooks™

Bringing you innovative digital publishing with leading voices to create your essential collection of books in STEM research.

Start exploring the [collection](#) - download the first chapter of every title for free.

Investment and Innovative Component of Strategic Development of the Region (on the Example of the Belgorod Region)

A S Troshin¹, S V Kupriyanov¹, I S Sandu²

¹Belgorod Shukhov State Technological University, Kostyukova St., 46, 308012, Belgorod, Russia

²Federal scientific center of agrarian economy and social development of rural territories, the All-Russian Research Institute of Rural Economics, Horoshevskoye Highway, 35/2, 123007, Moscow, Russia

E-mail: as_troshin@inbox.ru

Abstract. Changes of social and economic parameters of region development of Belgorod region is revealed in recent years and its contribution in formation of modern Russian economic model development is defined. The fundamental administrative initiatives of regional authorities which have allowed the Belgorod region to achieve considerable achievements in the social and economic plan are presented. Attention is paid, to the basic strategic directions of further development of the region, within the accepted Strategy of social and economic development of the Belgorod region till 2025. A specific place in the research is held by the questions concerning the role and the place of investment and innovative components in the implementation of the planned purposes of region development. These questions initiated the need of more detailed consideration of concepts, «investments», «innovations», and «infrastructure».

1. Introduction

The investment and innovative component is considered as an integral part of successful strategic development of macro - meso - and microlevels of national economy [1, 2, 3]. The current trends which are characterized by dynamic processes in the external environment initiate the expediency of adequate response from participants of the economic relations [4].

The true properties of the external environment determine the need of strategic initiatives realization on the investment and innovative basis [5]. Similar processes are covered by all levels of the Russian economy, and we can't imagine the successful long-term realization of strategy development without regional component.

We will separately allocate the following circumstances: first, the processes of strategy realization of regional development are interconnected and interdependent with processes of national realization strategy; secondly, investment and innovative component of regional strategy development is considered as the guarantee of her successful implementation in the future; thirdly, it is difficult to overestimate the role which is played by modern investment and innovative tools, models, mechanisms, within the solution of problems of competitiveness increase in domestic economic entities at the international level; fourthly, the membership of Russia in the World Trade Organization



(WTO) causes the necessity to follow the norms and rules of the organization, sets the task to accelerate scientific and technological development which must reduce temporary lag of transition to a new technological way for our country.

2. Materials and methods

The problems of investment innovative development of domestic economy cause special relevance and they are the subject of studying for the leading domestic and foreign scientists and experts.

The significant contribution to the development of scientific approaches in the field of investment was made by such Russian and foreign researchers as: N.A. Abykayev, S.A. Agarkov, E.A. Astakhova, A.V. Bagaryakov, I.A. Form, V.V. Bocharov, Yu.A. Doroshenko, V.Z. Mazloyev, T.G. Mozzherina, A.S. Ponin, E.V. Savenkova, D.G. Sigel, I.G. Ushachev, U.F. Sharp and others.

The works of the representatives of classical school of political economy (A. Smith, D. Ricardo, K. Marx) and neoclassical are devoted to economic aspects of investment activities (D. Keynes, A. Marshall, P. Samuelson, etc.).

The innovative development of economy and its separate branches, including agro-industrial complex, is reflected in works by Bautin V.M., Lazovsky V.V., Nechayev V.I. works., Ogloblin E.S., Sandu I.S., Semyonova E.I. and others.

The conducted research has the special importance within the solution of the tasks sounded in the Strategy of social and economic development of the Belgorod region until 2025.

The special attention is paid to the approaches defining a role and the place of investment and innovative components in strategic development of the region.

3. Main part

The existing and developing strategic initiatives of regional development of Russia have an investment and innovative component on their basis. Similarity doesn't mean something new and borrowed, and is determined by the existing market conditions. One of the leaders place in the social and economic plan of the Russian Federation is occupied by the Belgorod region. The special attention is deserved by the rates of its social and economic development which analysis can demonstrate the role and the contribution of the Belgorod region in the economic formation of our country. The most significant achievements on the basis of Belgorodstat's data, speeches of the Governor of the Belgorod region E.S. Savchenko are representd:

- in 1990 according the population Belgorod region ranks the 39th place among regions of the Russian Federation, in 2016 has taken the 29th place (population in 1990 was about 1,4 million people, in 2016 - 1,553 million people);

- the value of the industrial production index in comparison with 1990 has grown by 3,2 time, the index of agriculture has grown nearly 3 times;

- according the volume of a gross regional product the Belgorod region in 1990 took the 36th place in the country, and by 2016 has moved to the 27th place;

- in 1990 input indicators of housing were about 717 thousand sq.m, and in 2016 – 1350 thousand sq.m. Individual housing construction stands alone and earlier it was not paid any attention to, and not only in the Belgorod region, but all over the country. Results of researches have shown almost 20-fold increase according to this indicator in comparison with 1990. Now Belgorod region takes the leading positions in this sphere in Russia.

Except the above-mentioned points we will note reduction of number of the unemployed in the region, considerable decrease in number of the residents of the Belgorod region who are below the poverty line, growth of average monetary income of the population. Positive dynamics among regions of Russia is observed in all listed parameters. So, according the unemployment rate the region was on the 23rd place in the 1990s, then by 2016 it has already moved to the 7th place; according the average income for the same period grew on 26 points, from 47 to 21 places; according the size of a living wage grew from 24 to the 2nd place.

It has become possible to think about the acceptance of the major administrative initiatives by regional authorities among which, according to the Governor: creation of the large vertically integrated structures in agro-industrial complex, by reforming of the farms operating earlier; implementation of infrastructure projects and programs among which a specific place is held by increase in extent of roads with a hard coating, including due to elimination of rural off road terrain; gasification of the area with the help of national building method, etc.; creation of favorable investment climate for investors, including by diversification of risks, granting the state guarantees, etc.; formation of scientific and intellectual elite with creation of educational model on the basis of integrated approach of the employer considering interests, educational institution, pupils and students; implementation of socially important projects in the field of ecology, medicine, health care, social protection of the population; support of individual housing construction with transition to a new town-planning format – agglomerations; transformation of administrative model by transition from situational management to design.

Among the basic strategic directions the development of the Belgorod region finds the reflection in the Strategy of social and economic development of the Belgorod region till 2025, and according the speeches of the Governor E.S. Savchenko, one of the highest places is occupied by innovative transformation of regional economic model with the emphasis on digital technologies, robotics, application 3D - technologies, biotechnologies, use of the pilotless equipment in various spheres list, in Internet trade, etc.

Proceeding from the structure of Belgorod region economy with domination of the agrarian sector, it should be noted the importance of the innovative processes covering, first of all, the agricultural organizations and large agro-industrial holdings which are faced with the problem of bringing sales volumes to 1 trillion rubles faces that is represented to be difficult without appropriate innovative component. It is separately possible to note the need of participation of the large integrated formations and for creation of favorable social and economic conditions for rural areas. We mean industrial production, directly organized in rural areas.

Considering innovations as the catalyst of regional economy development of, we will identify them with the technology solutions reducing a time log of transition from one technological way to another.

At the same time, in researches of domestic and foreign scientists it is possible to meet also a bit different approaches to definition of the considered concept: «the final result of innovative activity which has received the embodiment in the form of the new or advanced product introduced in the market, the new or advanced technological process used in practical activities» (OECD); «a new scientific and organizational combination of the production factors motivated with entrepreneurial spirit» (I. Schumpeter); «process in which the invention or the idea acquires the economic contents» (B. Tviss); «technical and economic process which through practical use of the ideas and inventions leads to epy creation of the best products and technologies oa the properties and in case the innovation is focused on an economic benefit, its emergence in the market can bring additional income» (B. to Santo); «the best, than existing to it, something more effective, having only positive result» (G.A. Smirnova, O.D. Nechayeva); «any technical, organizational, economic and administrative changes, excellent from existing in practice» (S.D. Ilyenkova).

Questions of innovation classification are considered in the works of G. Mensh, K. Freeman, J. Clark, S.V. Valdaytsev, N.I. Ivanova, A.K. Kazantsev, A.I. Prigozhin, R.A. Fatkhutdinov's works, etc.

A.I. Prigozhin divides innovations according to the prevalence, the place in a production cycle, continuity, to innovative potential, etc.

A. Maslennikova allocates technical (new technology, production, service) and organizational (new forms and methods of the organization) innovations.

One of the main problems of an innovative way of country development in general and in Belgorod region, in particular is insufficient funding of investment projects of innovative orientation. The solution of this task at the level of the Belgorod region happens and has to happen in the future with direct participation of large corporations and holdings of agro-industrial orientation. They are designed to become the engine of innovative development of the region. And this process already

bears results which manifestation is observed in emergence of the new zoned grades and hybrids, breeds of the dairy cattle of regional selection, the organization of new production of a number of enzymes and amino acids and so forth. By experts estimation in Belgorod region it is necessary to direct annually to financing of priority investment projects 10-20 billion rubles.

Investments, in our opinion, can be considered as forms of investments of money and their equivalents in production resources which quantitative and high-quality change will promote ensuring process of expanded reproduction. Investment process or process of investment – as set of consistently resources carried out actions for quantitative and high-quality change of production resources in the course of interaction of its participants. At the same time, it is important to notice that «change» shouldn't be end in itself.

We consider industrial resources as:

- natural benefits: the earth, water, minerals that in general is identified with the concept «earth»;
- all that is capable to bring income, being associated with the concept «capital»: a part of stocks of production of goods (A. Smith), means of production (D. Ricardo), money (J. Robinson), the cost bringing the surplus value (Marxist political economy);
- the intellectual and physical efforts of the person directed, on the one hand, to transformation of objects of the nature, with another, on creation of new knowledge and rational use of production resources and associated with the concept «work». At the same time we will note that for a specification of the carrier of the considered resource enterprise abilities aren't considered by us separately.
- the branches in the set creating the general conditions for development of goods production, and which are associated with the concept «infrastructure».

Production is considered as the process of products creation during the definite period of time by the rational usage of the main industrial resources (labor, capital, ground and infrastructure).

Consumption, on the one hand, can perform as production (that is the consumption of means of production and labor), on the other hand as non-productive (personal consumption).

In general production, consumption, distribution and exchange reflect the features of the reproduction process proceeding in it. And distribution and exchange equally, as well as consumption, can contain both in the process of production, and out of him.

Production exchange is expressed in exchange of the work products which are the means for new product production (exchange of activity, experience on the basis of division of labor), non-productive exchange can be considered as an independent stage in the movement of a product.

Infrastructure in such circumstances is considered by us as the factor promoting unity of course of the above-named processes (production and consumption) [6].

Among weak points of innovative development, according to the Governor of the Belgorod region E.S. Savchenko are: absence of the uniform expert and coordination center, the absence of Fund of innovative support, improvement of the organizational and economic mechanism of management of science and technology parks, etc.

The authors consider the Regional centers of a transfer of technologies and Regional venture funds as the elements of infrastructure of innovative system of the region. [6].

Among the other major directions of strategic development of the Belgorod region are: housing and urban policy with de-urbanization elements; road construction with simultaneous improvement of the surrounding territory; improvement of an ecological situation in the region, within implementation of projects on a biologization of agriculture, replacement of products of chemical synthesis by organic chemistry, etc.; implementation of the social project «Management of Health» which form the healthy way of life among the inhabitants; formation of fair, solidary society in which each inhabitant can feel safe.

4. Conclusion

Investment and innovative component of strategic development of the region is considered as the key catalyst of his economic growth. Current universal trends show clearly permanent innovations allow economic entities to remain competitive, and their production demanded.

The economic sanctions imposed against our country to some extent limit access to foreign investment resources, however sanctions shouldn't become a stumbling block in a question of formation of innovative system in general and its separate elements, in particular at the level of the state.

The special attention in the created domestic innovative system has to be given to formation of demanded infrastructure elements of various hierarchical level.

Thus, an investment and innovative component of the development strategy of the region is possible to consider according the high probability as one of the important directions for growth of gross domestic product, and for increase in competitiveness of domestic economy.

5. References

- [1] Doroshenko, Y A, Somina I V, Komissarov S A, Doroshenko S Y, 2015 *Asian Social Science* **11(6)** 185-191
- [2] Doroshenko, Y A, Somina I V, Komissarov S A, 2013 *World Applied Sciences Journal* **25(6)** 975-982
- [3] Troshin, A S, Kupriynov S V, Stryabkova E A, Saldanha H F D, Sandu I S 2014 *Life Science Journal* **11** (10s) 487-490
- [4] Gerrard, M B 2001 *Finance & Development* **38(3)**
- [5] Scott B 1985 *US Competitiveness and the World Economy Harvard Business School Press* pp 145
- [6] Doroshenko Y A, Troshin A S, Chizhova E N, Somina I V, Pivko I S 2015 *Journal of Applied Engineering Science* **13** (4) 283-292

Acknowledgments

The article was prepared within development program of the Flagship Regional University on the basis of Belgorod State Technological University named after V.G. Shoukhov.