

ICEST 2020
**International Conference on Economic and Social Trends for Sustainability of
Modern Society**

**INFLUENCE OF INFORMAL INSTITUTIONAL FACTORS ON
REGIONAL ECONOMY**

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Abstract

Economy status of any community, both at microeconomic and macroeconomic levels, is determined by many parameters, such as availability of resources, state of production factors, as well as totality of formal and informal institutions. These institutions must be taken into account when forming the economic model of this community. This article considers on example of the city of St. Petersburg, the influence of informal institutional factors, particularly the regional mentality factor on economic development. Using the concepts of national mentality generally and regional mentality particularly, regularities are found that can be traced in economic behavior of people and manifested in specifics of the regional economic development. There are analyzed the basic factors that shaped these regional features, as well as the mental features that determined the behavioral prerequisites of the social group that was formed during the three hundred years of the city's existence. It is drawn conclusion about a certain change in the mental features of considered community representatives, however, these changes are superficial in nature and the main socio-cultural features are largely preserved. These features may provide additional incentive for the regional development, if their nature is understood and they are well-adapted to the economy needs.

2357-1330 © 2020 Published by European Publisher.

Keywords: Informal institutions, regional features, mentality, socio-economic development.



1. Introduction

Humanity, settling in various areas, was divided into compact groups that populated certain territories and developed them over a long historical period, adapting to the landscape, climate, natural features of that territory and the presence (or absence) of other more or less close adjacent groups. These compact groups represent certain integrity in the Earth biosphere - ethnic groups that exist in space and time. Caught in specific natural conditions, the ethnic group members adapt to them, developing certain special rules formed by these conditions - behaviour stereotypes, which, being enshrined in customs, beliefs, traditions, make up the main difference between members of one ethnic group from another. Ethnicity under the influence of passionate spirit, which is biopsychic energy, born as combination of ethnic, geographical and climatic conditions of this community life, creates both state and culture (Gumilev, 1990).

The combination of culture and genotype, that is, the sum of all body hereditary factors, forms mentality, or national character, which can be considered as some kind of integral features of people living in a particular culture, and which enable to describe the vision peculiarity of these people around the world and explain the specifics of their response on it (Sycheva et al., 2020).

That is, the mentality characterizes the specifics of public consciousness of one people group relative to the social consciousness of other people groups, and we are talking about fairly large groups, such as ethnic group, nation, or social layer (Armin et al., 2018). It briefly contains the entire past history of certain community with all its contradictions, found and undecided solutions to problems, the ways of national life. The mentality is rooted in that stable community of people united by language, territory, economy, mental traits on the basis of common culture. It has direct impact on economic, political, social relations and reveals the features of thinking and consciousness of fairly large group (Polyanskaya & Yurak, 2017).

2. Problem Statement

Mentality can also be defined as combination of emotional, cultural, mental features, value attitudes and orientations that are inherent in the ethnic or social community of individuals. In traditional sense, "mentality" is synonymous with "mindset" as a way of seeing the world and characterized worldview.

During forming the national mentality of each nation, the important role plays the specific conditions of socio-economic and state-political development, being formed traditions, customs and codes of conduit. Thus, mentality can be defined as mindset, attitude, worldview, psychology, which together have direct impact on economic, social and political relations (Shevelev, 2018).

3. Research Questions

Russia had initially several fairly independent zones of cultural and economic development, with dominance of one or group of regions. The historically formed region of St. Petersburg and its environs represented not just geographically defined the country's north-west territory, but specific type of economic, socio-political, cultural activity of people who, within the very short historical period, formed into community with very specific mentality (Pashkus et al., 2015).

Generally, Russia is a super-ethnic system consisting of a large number of ethnic groups. Each ethnic group that is part of this system, as a complex energy system, consists of elements, sub-ethnic groups, characterized by steady stereotype of behaviour that distinguishes this sub-ethnic group from other manners, circumventing, the way to express feelings, friend-or-foe definability, and also the customs and traditions that are associated with the mentality of this sub-ethnos (Boffa et al., 2016). Taken together, the mentality of sub-ethnic groups forms the mentality of ethnic group, or nation, as a system that ensures each member of the ethnic group with model of worldview, attitude, behaviour based on the traditions, customs, culture that make up the national mentality.

4. Purpose of the Study

Sub-ethnic groups arise due to different historical circumstances and natural conditions. They have their own more or less long formation time period. The youngest, and nevertheless important in the Russian superethnos, sub-ethnic formation is the population of St. Petersburg. Studying of its features is a research objective of this article.

The mentality structure basis is the system of socio-economic priorities, as well as the culture system of this society.

The separation of St. Petersburg culture as separate phenomenon has grounds, primarily due to concentration of state intellectual forces from the very beginning of city foundation (Dengov et al., 2016). The characteristic features of St. Petersburg culture are academicism (both in external forms and in the essence of interests of St. Petersburg authors, creators, teachers) and professionalism in science, art, and technical specialties (Lihacev, 1994). St. Petersburg culture, basically based on the Rus-Russia culture since its ancient times, was able to organically incorporate the best of world culture.

5. Research Methods

The social and economic development of St. Petersburg also went a special way. Capitalism in the central Russian regions began to form on the basis of small peasant industry. This was not the case of St. Petersburg, since the surroundings of new capital were uninhabited. The economic structure here developed on the basis of state production, which alone could fully satisfy the needs of army and navy in the first place (Admiralty Shipyard, Foundry, Powder Plants, etc.) (Belkina, 2015). In the second half of the 19th century, the city developed on the basis of both private foreign capital (plants of Nobel, Simmens, San Galli, etc.) and private Russian capital, which mainly invested in the metalworking industry (Kirillovskaya et al., 2016).

Petersburg served as communication centre for the interior of Russia with foreign countries. Also, Petersburgers combined the features of original Russian mentality and personality of average European (Gagulina et al., 2019).

As in any national mentality in St. Petersburg, one can distinguish between "layers" or "formations" of different thicknesses and depths that formed during different historical periods and overlapped one another (Fernando & Jaume, 2016). The features present in the Russian mentality such as those coming from pagan unity with nature and the weak development of personal principle, from the "specific veche" Rus - liberty and rebellion, from the "Moscow period" - calm, silence, simplicity, ease of life in the

community, were supplemented in Peter the Great era features that are characteristic mainly for St. Petersburg. These "Russian Europeans" distinguished by their freedom and breadth of spirit, universality, and feeling of being at home wherever they are. The second half of the 19th century created the "intellectual type" of Russian man - eternal seeker, idealist, enthusiast, surrendering to everything with sacrificial impulse (Fedotov, 1992).

It is characteristic that in the post-revolutionary and especially in the post-war years, there was special status of Petersburger-Leningrad in the perception of the rest Russian population. The defining features of Leningrader, from any social stratum, were considered intelligence, spirituality, politeness, coldness and restraint, on the one hand, and responsiveness and friendliness, on the other.

6. Findings

Thus, the several distinguishing features can be outlined in the character of St. Petersburg inhabitants. Firstly, this is the type of behavior described by the French idiom *comme il faut*, which literally translates as "it must be as it should be", and it means "decency, good manners," that is, restraint in the manifestation of one's feelings. Secondly, it is religious tolerance and internationalism, but without prejudice to their national dignity. Thirdly, it is aesthetics, sensitivity and exacting taste in everything (Kagan, 2006).

In recent years, this high score has been declining, due to change in behavior priorities common to all of Russia. However, the features determined by the socio-cultural environment that has emerged over three centuries are still preserved in their main features, which give advantages, including in the field of regional economy development.

7. Conclusion

St. Petersburg, which emerged as both an industrial, political, economic and intellectual center, has its own institutional structure. Its genotype and culture, as components of this institutional structure, is different from the informal institutions inherent in other Russian territories. Accordingly, there are also their own methods of economic behavior, which have developed as the most effective and natural in the existing conditions. And any transformations carried out in the economy will be successful only if these informal institutional factors are taken into account. It caused need of study of both formal and informal institutional structure of society.

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