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TOOLS FOR STRATEGIC DEVELOPMENT OF THE FAR EAST

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Abstract

The social and economic development of the territory is largely determined by the effectiveness of the use of spatial planning tools in the development and implementation of regional development strategies. Special attention is paid in the article to the analysis of the practices of the application of program methods and tools of strategic development for the Russian Far East, as well as to the identification of the reasons why the implementation of the specified parameters, targets of the macroregion development programs in full was not achieved. The hypothesis is put forward that the socio-economic situation of the territory depends on the effective use of strategic regional development tools. The duality of the influence of state programs on the regional development of the Far East, the inconsistency of spatial development models with national and regional strategic priorities is shown. A retrospective analysis of the concepts of the spatial development of the Russian Far East for socio-economic alignment is presented. The problems with an effective goal-setting system in state programs and with violation of the unshakable requirements of the SMART principle are identified. The mechanism of long-term planning laid down in government programs did not give the necessary response, unlike strategic planning, which takes into account the dynamism of the external environment. An ambiguous approach to the organizational and financial management mechanism was criticized, which, with the necessary degree of centralization, would coordinate the goals of functioning and development of business entities, control the distribution of resources between subprograms.

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1. Introduction

The Far East, due to its geopolitical position, has always been in the focus of attention of the federal government of Russia, this macro-region is of strategic importance for ensuring sustainable balanced development of the whole country.

To ensure the effective economic development of the Russian Federation, federal public authorities interact with the regions of the country, thus implementing the economic state regional policy (Kulagina, 2020). One of its tools is program planning, which is carried out through the adoption and execution of programs. The programs provide a systematic solution to problems of important regional significance in various areas of regional development, by determining the optimal and most effective ways to achieve the designated goals and objectives, allocating resources and activities to performers, monitoring the progress of implementation, taking into account internal and external factors.

The Far Eastern region is a unique macro-region of Russia (the area is 6169.3 thousand square kilometres, which is 36.0% of the entire territory of the Russian Federation). The region has a rich mineral resource base. It should be noted that further development of the Far East and attracting the population to the region seems to be an indisputable task that requires a certain strategic approach. We believe that in this strategic approach, state support becomes an important factor in the socio-economic development of the macroregion.

2. Problem Statement

In the Far East, there is a rich experience in the implementation of state programs, some elements of which began to be applied in the 30s of the last century. However, as the scientific community notes, active state regulation using large-scale programs began in the mid-1980s. The reason was the historical features of the development of the vast territory of the Far East, the established specialization, the military-strategic and geopolitical significance of the region. To get the region out of the crisis, it was necessary to take special measures of state support, the concentration of state budget funds on the main target areas (Leonov, 2017). The program was, on the one hand, an attempt to solve the problem of regional development with the help of tools that are relatively new for planning practice, and on the other hand, recognition that the tasks of developing a vast region cannot be solved in any other way than a purposeful concentration of state resources. To analyse the practice of applying program planning in the Far East, it is necessary to evaluate the results of programs.

The results of the first program implemented in the Far East («The program for the formation of the military-industrial complex» (1930)), were quite successful. Minakir and Prokapalo (2011) note in their scientific works that:

by the end of the 1950s, a powerful military-industrial complex with specialization in shipbuilding and aircraft construction, as well as a resource-producing complex exploiting the most efficient, including unique, natural resources, was formed in the region. Nevertheless, the internal resources received from intraregional sales and exports were withdrawn to a centralized fund for

subsequent redistribution, which largely predetermined all subsequent problems of economic and social development of the Far East. (p. 94)

At the same time, in the following program «Integrated development of the productive forces of the Far Eastern Economic District and the Chita region (1967)» the number of goals was greatly increased, and, as a result, the planned tasks for the main socio-economic indicators were not fully fulfilled: in the industry exactly half of the goals were achieved, and in the agricultural sector no goal was achieved (Minakir & Prokapalo, 2011).

The next program («Long-term state program for the integrated development of the productive forces of the Far Eastern Economic Region, the Buryat ASSR and the Chita Region for the period up to 2000» (1987)) operated for only 3 years, instead of the planned 12 years. Minakir and Prokapalo (2011) note that:

by the beginning of 1991, it became clear that the concept of development of the Far Eastern region, which was the basis of the long-term program, ceased to correspond to the realities of the economy, which was gradually modified in the direction of the dominance of market principles of resource allocation. (p. 23)

The implementation of the Long-term Program was completely stopped (Syrkin, 2000). But, as Syrkin (2000) notes:

the failure of this program is due not even to a change in fundamental priorities in the process of socio-economic reform, but to the very target and organizational structure of the program. One of the main factors that caused the negative experience of implementing this program was the lack of an effective goal-implementing system and a special organizational and financial management mechanism that, with the necessary degree of centralization, would coordinate the goals of functioning and development of business entities, control the allocation of resources between subprograms and program participants. (p. 23)

Summing up the implementation of the second program, we can say that the planned targets were not achieved, the situation in the region has not improved over the years under review, and new incentives for economic and social development have not been created.

The Federal target program for economic and social development of the Far East and Transbaikalia for 1996-2005 was extended several times, and its implementation was to be completed only by 2018. The main difference between this program and the previous ones was that initially it was supposed to be decentralized management, which entails that the region itself should provide the bulk of the financing of the program. If we return to the definition of the program, then its main condition is centralized management, therefore, the program in question could no longer be called a classical program. Thus, already at the initial stages of implementation, it could be assumed that the program goals would not be achieved, which was confirmed by 2000. The actual allocation of resources from the federal

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budget in 1996-2000 amounted to 5.2%, and from regional budgets - about 17%. Investments in software facilities accounted for only 20% of the gross investments invested in the region's economy in 1996-2000. (Minakir & Prokapalo, 2018). In addition, there were other problems with the implementation of the program under consideration, for example, in 1998 there was a monetary and financial crisis, which as a result changed the conditions and trends in the development of the region, and the federal centre did not provide support in the economic policy of the subjects of the Russian Federation. "Further, the program did not bring any obvious results, the relative stagnation of the economy of the Far East ("lagging growth") was not overcome; none of the "output" parameters of the program was fully implemented" (Serikov, 2018, p. 907).

Another attempt at the development of the macroregion was the adoption in 2014 by the Government of the Russian Federation of the state program "Socio-economic development of the Far East and the Baikal region" with a period of implementation in 2014-2025. As part of the implementation of the state program, large-scale measures of state support for investors were taken, designed for the development of priority sectors of the region. Key measures were taken to create special conditions and tax and legal regimes for business in the Far East. In addition, many regional projects in the field of medium-sized business development were included in the «Program of cooperation between the regions of the Far East and Eastern Siberia of the Russian Federation and the Northeast of the PRC», but the implementation of these projects progressed very slowly and did not have a significant impact on the economy of the Russian Far East. Given the low executive discipline (only 45.5% of the measures were carried out, although 95.5% of the planned expenditures were allocated for these purposes), the high hopes of the Government of the Russian Federation for this program did not materialize and the Ministry of Finance of the Russian Federation reduced the financing of the program for 2017-2019 to 17 billion roubles per year, which were managed by the Ministry of Regional Development of Russia (Kulagina, 2019).

Despite the measures taken, it cannot be said that all of these programs have given some serious impetus to the development of the region, although the targets of the programs themselves and their number have changed, which is due to both external factors (for example, the realization of the interests of the federal centre, crises, the degree of cooperation with neighbouring countries) and internal ones (for example, the realization of the interests of the subjects of the Far East, the development of certain branches of the Far East, the solution of issues in the social sphere).

Since 2015, the Government of the Russian Federation has been activating such a tool of strategic spatial planning as projects to create territories of advanced development (TAD), calling them «points of growth». The favourable foreign experience of using this form of public-private partnership served as an impetus for broadcasting it in attracting large private investments primarily in the territory of the Far East, especially in need of large-scale investments (Kulagina, 2019).

The TAD is a tool for implementing a regional economic policy that is not new for the Russian Federation. Attempts to establish special legal regimes for doing business within the borders of individual territorial entities of different levels have been made before (Leonov, 2017).

3. Research Questions

The article analyses the tools of programmatic and strategic development of the Russian Far East.

In the scientific literature we study, program planning is considered as the development of interrelated goals, deadlines for the implementation of state programs of the Russian Federation, in subjects and municipalities, and the definition of sources and amounts of their financing (Kuznetsova, 2019).

The need to switch to strategic spatial planning tools is justified in his writings by Zubarevich (2019).

It should be noted that Hocine (2021), Liu and Zhou (2021) in their research evaluated the impact of the degree of effectiveness of strategic spatial planning on the socio-economic situation of territories.

It is important to see the contribution to the development of spatial development strategies for Russian regions, in particular the Far East, Granberg A.G., Minakir P.A., Zubarevich N.V. (as cited in Leonov, 2018).

In the modern practice of spatial economic development, the ideas of poles of growth are realized in the creation of free economic zones, technopolises, technoparks, TADs. Kulagina (2019) in her research expresses concerns about the effectiveness of regional development using the TAD tool for depressed territories.

Inconsistency, blurring of the goals of using tools and models of spatial development in the field of program and strategic planning in the Far East are set out in the works of Far Eastern scientists Syrkin V.I. Minakir P.A., Leonov S.N., Prokapalo O.M., Isaev A.G. (as cited in Pankratov et al., 2021).

At the same time, it seems to us that the identified problems are not being solved in full and require further scientific understanding and solutions.

Consequently, the subject of the study is the tools of programmatic and strategic development that determine the prospects for the socio-economic development of the Russian Far East.

4. Purpose of the Study

Analysis of the practice of using program methods and strategic development tools for the Russian Far East, identification of the reasons why the implementation of the specified parameters and targets of the macroregion development programs was not achieved in full.

5. Research Methods

The theoretical basis of the study was the fundamental provisions of modern economic theory, the works of domestic and foreign scientists on the problems of spatial organization and placement of the economy, the formation of strategies for the development of regions and the country as a whole.

During the research, such methods of cognition as methods of formalization and comparison were used.

6. Findings

In 2014, the Ministry of Regional Development of Russia proposed a new tool for the development of territories in the Far East. Its principal difference was more favourable conditions for doing business compared to the SEZ – tax benefits, low rates for payment of insurance premiums, special customs regime and land use procedure, creation of infrastructure at the expense of the state, etc. The main purpose of the creation of the TAR was the formation of such business conditions that would allow attracting investments into the economy, as well as ensuring the planned socio-economic development of the territory. A concomitant result can be called the development of social infrastructure necessary for the life of the population (Kulagina, 2019).

Currently, 22 TADs have been created on the territory of the Far Eastern Federal District (hereinafter referred to as the Far Eastern Federal District), when in 2016 there were only 14 of them. It is worth noting that in comparison with 2016, the number of residents of the TAD increased almost 5 times (from 111 residents to 532), the number of new jobs planned to be created – 4.2 times (from 22,256 jobs to 94,031) (Pankratov et al., 2021). However, these indicators do not allow us to fully assess the effectiveness of the tool used in the Far East, since this growth is partly due to the accession of two subjects, the Republic of Buryatia and the Trans-Baikal Territory.

If we consider the theoretical component of the TAD tool itself, then the idea was to create some "growth poles" or "growth points" that would develop more actively at the moment compared to the rest of the region due to receiving more support from management bodies of different levels (preferential business regime, creation of additional infrastructure). And in the end, they would give an additional impetus to the development of the «periphery», respectively, with a certain lag in time. In this case, the theory of diffusion of innovations would work 100%.

However, at the moment, the selected growth centres or the TADs themselves only «absorb» already scarce resources (investment, labour, financial, etc.). Given that the space of the Far East is already sparse, the concentration of means of production in compact territorial units without the additional support of surrounding territories will not lead to a positive result (Minakir, 2019). As a result, we can get highly developed centres and a «devastated» periphery.

Thus, to date, it is impossible to trace the indisputable results of the activities of the TAD in the Far East. New production facilities are being created, high-performance jobs are being created, huge funds are being invested in the creation of infrastructure both at the expense of budgetary funds and private ones, but it is difficult to say how this ultimately affects the spatial development of the macroregion and the achievement of the national goal – integration into the economy of the Asia-Pacific region by sharing the resources of the Far East with foreign investors.

Several scientific papers have expressed doubts about the strategic effectiveness of this spatial planning tool (Isaev, 2019).

7. Conclusion

Given such ambiguous consequences of such experiments, it is of some interest to assess the intermediate effect of creating a TAR in the most economically problematic and financially vulnerable region of the Far East.

After several years of unsuccessful attempts to accelerate the pace of socio-economic development of the Far Eastern region, federal government authorities come to a decision to develop a new and at the same time atypical strategic planning tool for the Far East – the National Program for the Development of the Far East for the period up to 2025 and for the future up to 2035 (The National Program., 2020). The novelty of this document is not in the title, but in its structure and the message itself. This National Program does not have the properties of a classical program. According to the author, this program is rather a strategic framework document declaring the main directions of the region's development, according to which smaller and more specific documents, namely projects, should be adopted and implemented.

Currently, it is difficult to judge and draw conclusions about whether the final results of the implementation of the program will be successful, whether the expected impetus to the development of the region will appear, since, as mentioned earlier. The national program is a new strategic document, such documents have not yet been created in the Russian Federation, and the Far East has traditionally been a springboard for the introduction of new tools for the development of the territory.

In addition, there are fears of the failure of this program because the problems of implementing previous programs are repeated, such problems include the fact that the targets in the national program are quite blurred («ensuring economic growth rates and indicators of economic development of the Far East exceeding the average for the Russian Federation» (The National Program..., 2020), and a separate structure for the implementation of the program, i.e. a directorate that could redistribute financial flows, expanding bottlenecks that objectively arise in the process of implementing a development program for such a large region.

Thus, for more than two decades, regional development programs have been implemented in the Far East, all of them have their specifics and differ from each other, however, only the first programs can be called truly successful. To date, a new tool for program planning of the region has been developed and is being implemented – the National Program.

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