

REGIONAL PROBLEMS OF ECONOMIC DEVELOPMENT

The key role in the development of the regional economy is played by the ratio between consumption and accumulation, which is one of the most important general economic proportions of social reproduction. Consequently, the main theoretical premise in solving the problem of social reproduction is the possibility and necessity of combining taking into account the features of the first and second approaches, or imparting the main (dominant) one of them. Such a choice is possible only on the basis of a comparative assessment of regional features of the reproduction cycle, taking into account the closed nature of the functioning of the region as an economic system, and determining the investment attractiveness of the region, taking into account the open nature of the regional economic system and significant opportunities to attract external investment resources, including those of foreign origin.

Regarding the assessment of regional peculiarities of the reproduction cycle, the question arises: in what proportion does the differentiation (distribution) of the product obtained (at the regional level – gross value added or gross regional product) between consumption and accumulation occur? Moreover, this issue always remains relevant, regardless of the dominant production relations and forms of ownership. In economics and practice, various views of researchers on the optimal quantitative ratio between consumption and accumulation are presented. So, according to K. Marx, this ratio should be 0,395: 0,605. In turn, John. Keynes inclined to the proportion of 60: 40, because he believed that the driving force of the economy should be just consumption, which later provides an opportunity for accumulation.

In turn, when determining the investment attractiveness of a region, the issue of determining the investment potential of a region and the investment risk of a region is actualized. In modern conditions, the factors of investment attractiveness that ensure modernization are: significant scale, as well as the rapid and fairly steady expansion of markets – as a result of the transition to new consumption standards with an increase in household incomes (in some cases, import substitution); relatively small volumes and payback periods of investment projects, which ensured a record number of new businesses built from scratch among other industries; an efficient corporate structure, ensured by the rapid formation of large efficient companies, and also by a fairly “early” arrival of foreign producers.

Using the methodology of the reproductive approach allows us to consider the conditions for the functioning of a region as an economic system through the prism of sustainable development. Sustainable can be considered only such development, which, while maintaining certain reproductive proportions ensures the dynamic development of the region in a given direction over a certain period of time. At the same time, the sustainability of the economic system can be achieved only on an

investment basis. However, this investment basis cannot appear by itself: it is necessary not only to organize it, but also to provide it on a daily basis. Therefore, such an organization of the reproduction of a regional economic system should cover, first of all, all types of resources (since only if they exist, the regional economic system itself can actually exist), then ensure the interaction processes between resource subsystems. "It is this last aspect that makes it possible to understand the role of a territory as an arena of the reproduction of resources (interaction of economic activity with its material conditions). The imperatives directly follow from the interaction of resource subsystems: a) the territorial organization of reproduction; b) understanding of regional development, first of all, as the development of reproduction potential "[9, p. 63]. This ensures the necessary level of competitiveness of the territory, achieved through the formation and implementation of an appropriate strategy. In this case, "the process of forming a strategy of a competitive type of reproduction should include two "strategic trajectories "that create a type of reproduction, the existing technological and informational level of management: reproduction of physical and human (information) capital" [1], which implies knowledge of the proportions of the reproduction process, which is possible on the basis of using appropriate tools and performing scientific analysis.

Analysis becomes an important element in the system of working out and making management decisions related to the development of investment processes. In qualitative methods of analysis, an important place is occupied by the tools that allow: to evaluate point investment injections into the problem sectors and the expected result; identify hidden potential points of economic growth; identify sustainable interbranch chains that may turn out to be "growth poles" and "locomotives" of economic development in certain regions of the region. At the same time, regional conditions affecting investments can be divided into three main blocks: the macroeconomic environment, which forms the investment potential; distribution mechanisms through which capital moves from its holders to investment projects, operating through two different, but interrelated capital markets - internal and external; specific conditions depending on the nature of the particular industry, the firm's competitive position, and the local environment in which these investments are made. The regional economic environment has a decisive influence on the nature of the flow of reproduction processes, which, in turn, also depend on the current structure of the economy.

References

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