

COMPETITIVENESS AS THE RESULT OF MARKET ECONOMY AND DEVELOPMENT FACTOR OF SOCIAL AND ECONOMIC SYSTEMS

Bella G. Shelegheda 

Donetsk academy of management and public administration, Ukraine
E-mail: shelegheda.bg@gmail.com

Nataliya V. Pogorzhelskaya 

Donetsk academy of management and public administration, Ukraine
E-mail: pnv686@gmail.com

Abstract. The study is devoted to methodology of integrated approach to problems of market relations development based on the apparent advantages of applied statistics used to draw theoretical conclusions and recommendations. Particular attention is paid to competitiveness as a result of market relations and competition as a factor in the development of economic systems. Analysis of the dynamics of Russian development in resource structure allowed us to establish the most important tasks for increasing the competitiveness of the country's economy in the new crisis conditions. Among the resources for forming an effective development strategy at the regional level, there are significant reserves in the financial mechanisms of redistribution of the federal budget.

Keywords: market economy, competitiveness, research methodology, indicators, statistics, factor analysis, financial resources, social and economic development.

JEL codes: A10; B41; C80; E01; E62; G18

For citation: Shelegheda, B. G., & Pogorzhelskaya, N. V. (2021). COMPETITIVENESS AS THE RESULT OF MARKET ECONOMY AND DEVELOPMENT FACTOR OF SOCIAL AND ECONOMIC SYSTEMS. JOURNAL OF REGIONAL AND INTERNATIONAL COMPETITIVENESS, 2(1), 14-23. Retrieved from <http://jraic.com/index.php/tor/article/view/14>

Introduction

The formation and establishment of a market economy in Russia happened at the same time as the changes in the forms of public administration, the emergence of private property, the redistribution of resources between territorial and economic entities, individual industries, and industrial and financial corporations.

The first references to market relations in the Russian economy, which had replaced the centralized government control, can be found in the international publications, and then in Russian ones, from the late 80s to early 90s. (Shestakov, Khaitkulov, and Samulkin, 2007; Polynov and Tarasova, 2017). They analyze the negative consequences brought by the chosen course of reforms through de-industrialization of economy, the increase in importance of raw materials, destruction of core technology, population impoverishment, decrease of food independence within the country, worse ecological situation, degradation of education and culture.

The general methodological approach to economic research in the transition period corresponded to the formula: «yes to market economy, no to market society — refusal to understand the unity of market mechanisms and state regulation is a typical example of modern stereotypes of mass consciousness, and the fight against stereotypes and myths was and remains a scientific and civic duty of scientists...» (Abalkin, 2010).

By that time, the countries have separated into the ones with the developed market relations and the one with the developing ones, but also the countries which form the new management processes. At the same time, the relationship was formed between the level of market relations and social and economic, technical and technological development of individual systems with their characteristic territorial features. Moreover,

a direct correlation was implied between the state of market mechanisms and the level of development in Russian studies, which by no means corresponded to the real practice. Thus, the second and third world countries that form the market economy, can in no way be classified as developed or even developing judging by the level of aggregate resource potential (Khoros, Malysheva, 2013).

As for the Russian economy, the practice of introducing market levers of public administration was ahead of scientific comprehension and development of new methodological approaches to the study of radical transformations that were taking place and were gaining momentum in the country.

Methodological study basis

Methodological approaches to the economic research of that time were obviously different, but on the one hand, there is an apparent continuity, and on the other hand, a certain lack of clarity, which led to a variety and some contradictions in the terminology of basic concepts, confusion in the classification of indicators and factors affecting market processes.

It is impossible to consider the entire set of problems of formation and development of market relations in Russia in a single publication, so this study raises the following issues, which are arguably the most pressing and least covered in scientific publications. These issues are:

- the need for applied statistical support of theoretical conclusions and recommendations, without which it is impossible to ensure the practical implementation of the declared strategic development programs (projects) of economic systems of any level of management (macro-, meso-, micro-), which see the categories and separate factors of internal and external impact determined;

- to single out the most important, frequently mentioned and, undoubtedly, market-oriented economic categories, first of all — competitiveness and competition, which were first allowed to be mentioned in Russian papers no earlier than the 90s of the last century;

- to highlight and reveal the essence of financial resource contents and its impact on development, recognized in most studies as an efficiency factor, but without specifying the mechanism of impact on competitiveness in the system of state regulation by coordinating the interests of federal and local budgets.

The concept of «theoretical economy» proposed by the authors (Gordeev, Mayorova, Markin, Shkiotov, Ugryumova, 2019) «based on the principle of polymethodology» has unique qualities, giving it the right to serve as a common fundamental basis for the study of modern problems, focusing on objective philosophical and economic laws and fundamental provisions of classical and neoclassical political economy, especially on the strategic development of all levels of government.

Based on the analytical review of scientific publications, we proposed new opportunities for combining the advantages of theoretical and applied approaches (Shelegeda, Kornev, Pogorzelskaya, 2020). Using statistical data, the authors' position on the simultaneous functioning of equilibrium and non-equilibrium states of economic systems is justified. Modern development theory recommends using the principle of dialectical unity of theoretical and applied research, which meets the challenges of increasing intensity of quantitative and qualitative changes in the modern world, and allows us to disagree with the opinion of some scientists about the bias of empirical research methods (Table 1).

Table 1 - Dynamics of social and economic development of Russian regions

Years	Indicators	Federal districts								Total	Average
		Central (CFD)	North Western (NWFd)	Southern (SFD)	North Caucasian (NCFD)	Volga (VFD)	Ural (UFD)	Siberian (SFD)	Far Eastern (FEFD)		
2005	GRP, trillion rubles	6.3	1.8	0.9	0.4	2.8	3.1	1.8	1.0	18.0	2.3

Years	Indicators	Federal districts								Total	Average
		Central (CFD)	North Western (NWFD)	Southern (SFD)	North Caucasian (NCFD)	Volga (VFD)	Ural (UFD)	Siberian (SFD)	Far Eastern (FEFD)		
	%	34.8	10.0	5.2	2.0	15.5	17.1	10.0	5.4	100	12.5
	GRP per capita, thousand rubles	164.9	130.8	67.6	39.1	91.6	254.1	103.3	113.0	125.7	120.5
2010	GRP, trillion rubles	13.4	3.9	2.3	0.9	5.7	5.1	3.8	2.4	37.7	4.7
	%	35.7	10.5	6.2	2.4	15.1	13.6	10.2	6.4	100	12.5
	GRP per capita, thousand rubles	350.2	289.6	168.8	94.9	190.7	423.5	222.9	287.7	263.8	253.5
2015	GRP, trillion rubles	22.7	7.2	4.6	1.7	10.1	9.1	6.4	4.0	65.8	8.2
	%	34.5	11.0	7.1	2.6	15.3	13.8	9.7	6.1	100	12.5
	GRP per capita, thousand rubles	580.7	520.3	283.9	176.4	339.1	737.3	369.3	487.9	449.1	436.8
2018	GRP, trillion rubles	29.4	9.0	5.8	1.9	12.5	12.8	8.3	5.2	85.0	10.6
	%	34.6	10.6	6.9	2.3	14.7	15.0	9.8	6.1	100	12.5
	GRP per capita, thousand rubles	747.5	645.7	355.6	197.2	423.1	1032.5	484.4	634.2	578.7	565.0
2018 to 2005	GRP, trillion rubles	468.5	500.9	624.8	551.6	445.4	412.6	461.2	536.0	471.2	500.1
	%	99.4	106.3	132.6	117.1	94.5	87.6	97.9	113.7	100	106.1
	GRP per capita, thousand rubles	453.3	493.7	526.0	504.3	461.9	406.3	468.9	561.2	460.4	484.6

Source: composed and calculated by the authors

As follows from Table 1, the share of federal districts in the total gross regional product (GRP) of Russia for the period 2005-2018 did not change significantly, which to a certain extent may indicate some inertia of development. If we consider the absolute figures, the contribution of the Central Federal District, which provides more than 1/3 of the country's GRP, is almost 1500% higher than of the North Caucasian Federal District. At the same time, the difference in per capita GRP calculations in these districts was 4.22 at the beginning of the period, and even decreased to 3.79 by the end of the period. The Urals Federal District (5.24) is notable for this indicator. All the while, the developing regions (NWFD, SFD, NCFD, FEFD) show the highest growth rates of these indicators. It is also noteworthy that some regions tend to grow steadily, albeit marginally, while others are subject to tangible fluctuations in these indicators, which reflects dependence of individual regions on the volatility of external market conditions.

Development, as a multi-dimensional and multi-vector process, involves profound changes in the technical, economic, social, and political areas. Modern economic theory fills, firstly, the existing historical and logical gap between the fundamental developments of the Soviet school of political economy and modern scientific approaches. Secondly, this concept can be used by representatives of various economic schools with a certain degree of adaptation to the general scientific and applied methodology, which allows to «successfully

integrate» into the methodology of institutional analysis (Sukharev, 2013; Frolov, 2016). Thirdly, the outlined approaches contribute to the effective structuring of various directions and problems of economic research.

Study contents

The development of the market environment creates new conditions that change the general competition from using territorial and resource advantages to dynamically changing scientific and technological achievements at all stages from the creation of goods to their transfer from producer to consumer.

The notion of competitiveness, despite numerous interpretations, has not yet received a universally accepted definition, although their number is constantly growing - from a few in the middle of the last century to more than 400 at present (Bieńkowski, 2008). Two directions of competitiveness research have formed in economic theory. The first one is based on classical competition theory (Chamberlain, 1936; Stigler, 1975; Hunt, 2011) which, in turn, is based on the market theory, the other one insists on the inverse relationship and studies the role of the state in the market economy, and the subject of competitiveness is the industry. In particular, it is noted that «...a firm's success in competing with competitors depends primarily on the state of affairs in the country» (Porter, 2000). «A competitive product will not emerge without an effective flexible producer. The economic mechanism of the country should be competitive» (Dubinin, 1990).

At the micro level, the term «competitiveness» means the rivalry between a certain number of economic agents who perform their activities in order to maximize profits and ensure economic growth, i.e., the ability to meet the quality and price requirements of the competitive market and customer needs compared to others on the market.

At the macro level, competitiveness reflects the capacity to generate constantly growing real incomes of the population and to improve living standards. In turn, the achievement of social and environmental objectives complements the notion of competitiveness and expands the set of indicators reflecting it.

Improving the competitiveness of the national economy is one of the main objectives of state policy. The importance of identifying the factors that affect this indicator with the development of new technologies and forms of interaction of economic entities is steadily increasing. Furthermore, experts (ECE, 2019a) agree that the gap between developed, developing, and least developed countries will become increasingly difficult to bridge in the future. Developed countries with new technologies and a high level of human capital are capable of ensuring long-term competitiveness of their economies and their goods on the international market.

The ongoing debate about the nature of competitiveness has led, firstly, to a concept that was initially applied only to national economies and then increasingly has been used at other levels, including regionally. Secondly, there is still a debate whether GDP per capita is an appropriate measure of living standards, which is a key factor in the context of analyzing competitiveness through productivity.

Different concepts of competitiveness of national economies correspond to the same attempts to explain the reasons for its growth. More often than not, these reasons include the possession of natural wealth; availability of cheap labor; beneficial macroeconomic parameters; effective economic policy.

Russian economists, in contrast to foreign authors (Hindle, Williamson, 1995) paid close attention to the problem of competitiveness in the crisis year of 1998 at macro, meso, and micro levels (Gelvanovsky, Zhukovskaya, Trofimova, 2008).

Later, the territorial approach was used (Seleznyov, 1999), and to determine the competitiveness of the region, it was proposed to find out the need to achieve a high standard of living of the population; efficiency of the region's economic mechanism functioning, its investment attractiveness, and financial competitiveness (Ushvitskii, Parakhina, 2005).

Currently, regional competitiveness attracts researchers in terms of the ability of economic entities to profitably manufacture products that meet market requirements, which coincides with the development strategy and are provided with optimal resource productivity (Mirgorodskaya, 2005; Deryabina, Kolchin, 2005; Beketov, 2008), This allows to consider regional competitiveness as the result of the macroeconomic action of objective economic laws of market relations development.

As a result, it can be argued that

- the concept of competitiveness changes depending on the goals and objectives of the study, the requirements of the subjects of market relations (consumers, competitors, investors, partners), and the scale of activities (domestic, foreign markets) in the current time and prospects that determine the strategic potential of economic growth;

- competitiveness due to the dubious assessment of the existing economic entities in solving the problems of strengthening market positions in foreign markets does not have a strict management hierarchy (enterprise, industry, region, state);

- not all of the recommended methodologies are applicable for assessing the competitiveness of individual market subjects, which leads to incomparability of calculated indicators and criteria, distorting the real level of economic practice.

In order to coordinate the actions of certain producers at different levels of management in the development and adoption of recommendations to improve economic growth models, a systematic conceptual and methodological apparatus should be formed that allows to evaluate the competitiveness of each participant of the market process, on the one hand, and, on the other hand, in the system of hierarchy of management levels (Klimov, Drozd, 2010). The parameters for assessing the level of competitiveness of the lowest level should be included as basic variables in the parameters for assessing the highest level: enterprise - industry - region - cluster - state. But at the same time, it is necessary to take into account the divergent positions on the issue of the relationship between different levels of competitiveness (Andrianov, 2000; Emelianov, 2001; Loginova, 2009).

Some of the best known and most frequently cited approaches to assessing competitiveness include computational indicators, including global, regional, national, and specialized rankings (ECE, 2019b).

A special place in modern scientific research is taken by the generalized analysis of factors and conditions determining the formation and development of competitiveness as an important indicator characterizing the degree and prospects for the development of economic systems at all levels of government. These include:

- ensuring effective economic growth rates required for the inflow of investment, increased productivity of labor and resources, intensification of entrepreneurial activity, including small and medium-sized business in the conditions prevailing in the country, regions, industries, and individual sectors of the economy;

- inclusive growth through equal access to education, health care, adequate sanitation and safety; social inclusion in the manifestation of freedom and the development of interaction in social, economic, and political groups; equitable distribution of the benefits of economic growth;

- reduction of risks threatening economic growth taking into account the potential of natural resources per capita, aggravation of environmental problems; disruption of macroeconomic stability with increasing threats of financial and economic crises and challenges.

As already mentioned, the list of indicators and factors forming a weighty potential for increasing competitiveness includes a very important parameter, which is the availability of necessary financial resources with an effective cash flow management mechanism. Budget regulation acts as a set of tools and levers that coordinate the financial relationship between the federal state and local authorities.

During formation of a certain level of regional competitiveness, the system of inter-budgetary relations has a decisive impact on the strategic resource potential of territorial development. At the same time, the resulting impact of budgets of different levels on the competitiveness of regions is manifested in their social and economic function of coordinating the relationship between public authorities, economic entities, and the population. The main objective of competitiveness in this function is to create an optimal territorial structure of the tax system using an efficient model of revenue distribution between different levels of hierarchical governance (Sugarova, 2019a). Within the federal structure and high internal regional differentiation, the issues of increasing competitiveness should be considered in relation to the management of the consolidated budget.

Modern scientific publications, for the most part, recognize the need for financial resources, but have not yet defined the content of fiscal sustainability and its role in the development of competitiveness (Sorokina, 2016; Rodina, 2020a), although earlier studies recognized budget stability as dependent on budget execution

(Masiuto, 2013; Suspitsyn, 2015). The role of a regional authority can only be fulfilled when the necessary level of competitiveness is created at its own expense. In more recent academic papers, the stability of budget revenues has been considered through pre-risk outflows and increasing the share of tax and non-tax revenues at the level of regional authorities (Rodina, 2020b; Lysenko, 2020).

In turn, self-sufficiency of territories decreases when there is not enough justification of the effectiveness of consolidation of expenditure powers and inter-transfer mechanisms of different levels of the budget with the strengthening of contradictions between the federal and local governments in the context of financial capacity deficit. Prolonged and systematic subsidies from the Federal Fund for Financial Support of the Constituent Entities of the Russian Federation hinder the development of alternative fiscal capacity options, the growth of the regions' own revenues, which in the current environment cannot be solved by administrative methods alone (Sugarova, 2019b). Subsidization is mistakenly regarded as a property of the budget itself, which comes close to the concept of financial insolvency (Latypova, Dalaev, Yarullin, 2014).

Reducing the «acuteness» of the gaps in subsidization of the Russian regions with the provision of a balanced level of social and economic development is one of the tasks of increasing competitiveness. At the same time, there should be some incentives to it. Thus, the potential for activation of financial resources to improve competitiveness in the regions with the predominance of profit tax in the structure of revenues is higher than in the subjects where the funds come mainly from retail trade and paid services.

However, with any, even the most perfect forms of inter-budget relations, they cannot solve the problem of sufficiency of regional financial resources without improving the overall state of the economy. Support from the federal center is designed to motivate regions to develop rather than breed dependency. Therefore, the tools of such support should be effective, and not only from the financial point of view, but also in terms of specific road maps, methodological recommendations focused on an individual approach to a particular business entity (Table 2).

As can be seen from Table 2, through 2005-2019, the North Caucasian Federal District had the lowest share of revenues and expenditures in the total volume across Russia, while the Central Federal District has the highest. Only two of all districts (North Western and Southern) reflected an upward trend in their contribution to total income. At the same time, revenues and expenditures of «rich» territories are more than 800% higher than those of «poor» territories. However, this gap does not look that excessive (in 2019, almost 200% higher), if the data per capita is used.

The key condition for the effective functioning of the system of inter-budget relations is, first of all, the balance of interests of all participants, which, according to Table 2, has been disrupted for a long time. Thus, during 2010-2018, despite changes in the methodologies (Accounts Chamber of the Russian Federation, 2020a), the list of subjects with low assessment of the quality of financial management was relatively constant, while more than half (54%) demonstrated high quality of regional financial management.

Table 2 – Dynamics of revenues and expenditures of the consolidated budgets of the Russian regions, trillion rubles

Years	Indicators		Federal districts							Total	Average	
			Central	North Western	Southern	North Caucasian	Volga	Ural	Siberian			Far Eastern
2005	revenue (R)	trillion	0.92	0.32	0.16	0.10	0.46	0.46	0.32	0.23	2.97	0.4
		%	30.98	10.77	5.39	3.37	15.49	15.49	10.77	7.74	100.0	12.5
	expenses (E)	trillion	0.91	0.31	0.16	0.10	0.45	0.40	0.33	0.25	2.91	0.4
		%	31.27	10.65	5.50	3.44	15.46	13.75	11.34	8.59	100.0	12.5
	R to E ratio		1.01	1.03	1.00	1.00	1.02	1.15	0.97	0.92	-	1.0

COMPETITIVENESS AS THE RESULT OF MARKET ECONOMY AND DEVELOPMENT FACTOR

Years	Indicators		Federal districts							Total	Average	
			Central	North Western	Southern	North Caucasian	Volga	Ural	Siberian			Far Eastern
2010	revenue	trillion	2.10	0.76	0.42	0.27	1.01	0.72	0.71	0.55	6.54	0.8
		%	32.11	11.62	6.42	4.13	15.44	11.01	10.86	8.41	100.0	12.5
	expenses	trillion	2.09	0.78	0.44	0.28	1.08	0.70	0.70	0.56	6.63	0.8
		%	31.52	11.76	6.64	4.22	16.29	10.56	10.56	8.45	100.0	12.5
	R to E ratio		1.00	0.97	0.95	0.96	0.94	1.03	1.01	0.98	-	1.0
2015	revenue	trillion	3.09	1.02	0.69	0.36	1.37	0.97	0.91	0.90	9.31	1.2
		%	33.19	10.96	7.41	3.87	14.72	10.42	9.77	9.67	100.0	12.5
	expenses	trillion	2.99	1.04	0.74	0.38	1.45	0.98	0.98	0.92	9.48	1.2
		%	31.54	10.97	7.81	4.01	15.30	10.34	10.34	9.70	100.0	12.5
	R to E ratio		1.03	0.98	0.93	0.95	0.94	0.99	0.93	0.98	-	1.0
2019	revenue	trillion	4.61	1.54	1.06	0.51	1.88	1.40	1.36	1.21	13.57	1.7
		%	33.97	11.35	7.81	3.76	13.85	10.32	10.02	8.92	100.0	12.5
	expenses	trillion	4.74	1.52	1.03	0.50	1.86	1.36	1.35	1.21	13.57	1.7
		%	34.93	11.20	7.59	3.68	13.71	10.02	9.95	8.92	100.0	12.5
	R to E ratio		0.97	1.01	1.03	1.02	1.01	1.03	1.01	1.00	-	1.0
2019 to 2005	revenue	trillion	501.09	481.25	662.50	510.00	408.70	304.35	425.00	526.09	3818.98	477.4
		%	13.12	12.60	17.35	13.35	10.70	7.97	11.13	13.78	100.0	12.5
	expenses	trillion	520.88	490.32	643.75	500.00	413.33	340.00	409.09	484.00	3801.37	475.2
		%	13.70	12.90	16.93	13.15	10.87	8.94	10.76	12.73	100.0	12.5
	R to E ratio		0.96	0.98	1.03	1.02	0.99	0.90	1.04	1.09	-	1.0

Source composed and calculated by the authors

The analysis of normative-legal provision of inter-budget balancing (Budget Code of the Russian Federation, 1998) showed that the independence and self-sufficiency principles of the financial system of the regions are still violated. In doing so, the baseline is set at a standardized amount of expenditure covered by own revenues assigned on a permanent or negotiated basis. Obviously, the subsidization of territories has objectively emerged primarily due to the lack of effectiveness of the existing inter-budget relations, embedded in the methodology for assessing the macroeconomic environment, which requires a more substantiated study of the impact of functional structures of territories on their competitiveness. The causes of fiscal deficit, in terms of structural determinants, are macroeconomic, social, and spatial-resource factors. Macroeconomic ones exist due to the dynamics of global processes and relations of the state with economic entities, which is manifested in the resource-oriented nature of the Russian economy and dependence on the volatility of financial markets.

Due to multiplier effects, government competitiveness is aimed at building up and maintaining aggregate demand during the crisis, which without an increase in inflation is only possible based on the balanced optimization of budgets at all levels. Accordingly, inflation remains an important factor not only in budget expenditures, but also for the revenue base, as tax rates, both indirect and direct, directly affect pricing.

Social reasons for the growth of subsidization are primarily due to the uneven structure of the economically active population in the regions. On the other hand — indicators that determine the quality of life of the population, when the state ensures optimal distribution of subsidy funds, and the funds of the regions act as an effective mechanism of budgetary equalization.

Spatial-resource factors include natural social and economic and natural-technological heterogeneity of Russia as the largest (by territory) state. The different economic and geographic location sets the initial conditions for regional and municipal authorities.

It is important to take into account that any recommendations to improve the efficiency of inter-budget relations should be correlated with the main directions of the state budget policy in the medium and long term through promoting the balance of regional and municipal budgets and optimizing the adopted forms of inter-budget transfers (Sugarova, 2019c), which include subsidies, subventions, and other inter-budget transfers. The differentiation of regions by the amount of funds allocated to municipalities (from a few thousand rubles in the Omsk and Orel oblasts to one billion rubles in the Republic of Tatarstan and the Moscow oblast), as well as by the number of municipal entities - recipients of these funds (from one in the Marii El and Ingushetia Republic to an unmatched number in the Samara oblast) is also notable (RF Accounts Chamber, 2020b).

Mechanisms of granting subsidies through tenders, comprehensive evaluation, ranking by indicators, etc., vary considerably by regions. It is not acceptable to use the coefficient of «comparability of conditions» in calculations of competitive advantages. The absence of a unified methodological approach may form the prerequisites for biased management decisions.

In recent years, the federal government has taken active measures to increase the financial independence of the regions. However, the increase of the number of regions that are not recipients of subsidies through fiscal capacity equalization has not yet been achieved, although it was planned and approved in the state program «Development of federal relations and creation of conditions for effective and responsible management of regional and municipal finances» as a target indicator.

Conclusion

As a result of the conducted research, it was established that the social and economic essence and nature of competitiveness are conditioned by inseparable unity of this indicator of advantages of a certain economic system with its factor influence on the processes of each hierarchical level of national economy management. The proposed treatment allows a comprehensive territorially and dynamically scaled theoretical and applied approach to the methodology of fundamental substantiation of the origin and development of competitiveness as a result of the market economy in the interrelation and dependence on the objective economic laws of supply and demand, on the one hand, and on the other hand, using empirical calculation data to discover new, more efficient directions of future strategic development of the country.

The analysis of the role and degree of influence of financial resources was used to substantiate a new methodological approach to the development of the budget process management model in the economic interaction between the state and local (regional) territories, which contributes to improving the social and economic effect of all economic entities by equitable and optimal alignment of subsidies from the federal budget, strengthening the resource potential of regions.

At the same time, the main tasks for further progressive development of all economic systems from economic entities to the region and the country will be solved, ensuring the fulfillment of urgent social obligations to the population to increase incomes and improve quality of life based on high competitiveness of economic entities of all levels of government.

References

1. Bieńkowski, W., Czajkowski, Z., Gomółka, M., Brocka-Palacz, B. [et al.]. (2008). *Miary międzynarodowej konkurencyjności gospodarek*. Warszawa: SGH.
2. Chamberlain, E. (1936). *The Theory of Monopolistic Competition*. Cambridge: Harvard University Press.
3. Hindle, T., & Williamson, A. D. (1995). *Field Guide to Business Terms: A Glossary of Essential Tools and Concepts for Today's Manager* (Harvard Business/Economist Reference). Harvard Business School Pr.
4. Hunt, Shelby D. (2011). *The Theory of Monopolistic Competition, Marketing's Intellectual History, and the Product Differentiation Versus Market Segmentation Controversy*. *Journal of Macromarketing*, 31(1),

- 73-84. Retrieved from <http://sdh.ba.ttu.edu/JMacro%20Monopolistic%20Competition%20final%202011.pdf>.
5. Stigler, G. J. (1975). *The Citizen and the State: Essays on Regulation*. Chicago: The University of Chicago Press.
6. Abalkin, L. (2010). From Economic Theory to the Concept of Long-term Strategy. *Voprosy Ekonomiki*, (6), 4-9. (in Russian).
7. Andrianov, V. (2000). Russia's competitiveness in the global economy. *Mirovaya ekonomika i mezhdunarodnye otnosheniya*, (3), 47-57. (in Russian).
8. Beketov, N. V. (2008). The concept of competitiveness and its evolution. *Ekonomicheskii analiz: teoriya i praktika*, (11(116)), 13-16. (in Russian).
9. Budgetary Codex of the Russian Federation dated 31.07.1998 N 145-FZ (edited 22.12.2020) (active since 01.01.2021). Retrieved from http://www.consultant.ru/document/cons_doc_LAW_19702/. (in Russian).
10. Gelvanovsky, M., Zhukovskaya, V., & Trofimova, I. (1998). Competitiveness in micro-, me-so- and macrolevel dimensions. *Rossiiskii ekonomicheskii izhurnal*, (3), 67-78. (in Russian).
11. Gordeev, V. A., Maiorova, M. A., Markin, M. I., Shkiotov, S. V., & Ugryumova, M. A. (2019). Theoretical economy as a methodological basis for the study of digital economy. *El-ektronnyi nauchnyi zhurnal Teoreticheskaya ekonomika*, (11(59)), 33-38. Retrieved from https://drive.google.com/file/d/1Qq_nCERQamR8M4U_nvLvoxQQM9RL4wiX/view. (in Russian).
12. Deryabina, M., & Kolchin, S. (2005). Competitiveness of the Russian economy in the context of globalization. *Vlast'*, (2), 12-20. (in Russian).
13. Dubinin, S. K. (1990). *Further and further to the Far West*. Moscow: Mysl'. (in Russian).
14. Emel'yanov, S. V. (2001). *USA: International Competitiveness of National Industries. 90s of the XX century*. Moscow: Mezhdunarodnye otnosheniya. (in Russian).
15. EEC. (2019). *Assessing the impact of integration on the competitiveness level of the Eurasian Economic Union Member States*. Retrieved from <http://www.eurasiancommission.org/ru/nae/news/Pages/18-12-19-1.aspx>. (in Russian).
16. Klimov, D. O., & Drozd S. S. (2010). Methodological approaches to the definition of the category of competitiveness. *Vestnik GGTU im. P.O. Sukhogo*, (1(40)), 110-116. (in Russian).
17. Latypova, G. R., Dalaev, L. M., & Yarullin, R. R. (2014). Subsidization of the regional budget. *Vestnik OGU*, (8), 160-162. (in Russian).
18. Loginova, V. A. (2009). Competitiveness of production and territorial economic systems: interconnection and mutual influence. *Problemy sovremennoi ekonomiki*, (4), 107-111. (in Russian).
19. Lysenko, A. N. (2020). Analysis of regional budget revenues and their role in the strategic development of the region. *Strategicheskoe razvitie sotsial'no-ekonomicheskikh sistem v re-gione: innovatsionnyi podkhod: materialy VI mezhdunarodnoi nauchno-prakticheskoi konferentsii*. (pp. 356-361). Vladimir: Transit-IKS. (in Russian).
20. Masyuto, I. A. (2013). Development of theoretical provisions and practical recommendations for improving the process of strategic planning for the development of the territory. *Sovremennye issledovaniya sotsial'nykh problem (digital journal)*, (9), 9-11. (in Russian).
21. Mirgorodskaya, E. O. (2005). Competitiveness as an integral property of the market economic system. *Filosofiya khozyaistva*, (4/5), 203. (in Russian).
22. Polynov, M. F., & Tarasova, E. A. (2017). The transition to the market economy in USSR during perestroika: the creation of the concept, 1989-1991. *Modern History of Russia*, (1), 113-127. (in Russian).
23. Porter, M. E. (2008). *On Competition*. Updated and Expanded Ed. Boston: Harvard Business School Publishing.
24. Rodina, T. E. (2020). Assessment of financial stability of regional budget. *International Research Journal*, (10(100)), 158-163. Retrieved from <https://research-journal.org/economical/ocenka-finansovoj-ustojchivosti-regionalnogo-byudzheta/>. (in Russian).
25. Seleznev, A. Z. (1999). *Competitive positions and infrastructure of the Russian market*. Moscow: Yurist. (in Russian).

26. Sorokina, T. V. (2010). Estimation of financially-budgetary stability of municipal units. *Baikal Research Journal*, (5), 83-87. (in Russian).
27. Sugarova, I. V. (2019). Inter-budgetary relations and options for solving the problems of budget subsidies. *Vestnik universiteta*, (12), 87-91. (in Russian).
28. Suspitsyn, S. A. (2005). General regional barometers. *Problemy prognozirovaniya. IEOPP SO RAN*, (2), 97-111. (in Russian).
29. Sukharev, O. S. (2013). Methodological foundations of institutional analysis: old, new and mainstream. *Finansovaya analitika. Problemy i resheniya*, (41(179)), 7-24. (in Russian).
30. Accounts Chamber of the Russian Federation. (2020). Bulletin of the Accounts Chamber of the Russian Federation. Subsidization of regions. (4(269)). Retrieved from <https://ach.gov.ru/upload/iblock/c96/c9612b224411615b0d8b4478cc20376b.pdf>. (in Russian).
31. Ushvitskii, L. I., & Parakhina, V. N. (2005). Competitiveness of the region as a new reality: essence, assessment methods, current state. *Sbornik nauchnykh trudov SevKavGTU. Seriya Ekonomika*, (1), 1-20. (in Russian).
32. Frolov, D. P. (2016). Methodological institutionalism 2.0: from institutions to institutional configurations. *Voprosy ekonomiki*, (7), 147-160. Retrieved from <https://doi.org/10.32609/0042-8736-2016-7-147-160>. (in Russian).
33. Third World: half a century later. (2013). V. G. Khoros, D. B. Malysheva (Eds.) Moscow: IMEMO RAN. (in Russian).
34. Shelegeda, B. G., Kornev, M. N., & Pogorzhel'skaya, N. V. (2020). Integrated theoretical and applied approach to economic research. *Teoreticheskaya ekonomika*, (12(72)), 34-44. Re-trieved from <https://drive.google.com/file/d/1-OZXBggtk3dFWB3y8xZC-KCaR5YfAsWD/view>. (in Russian).
35. Shestakov, D. E., Khaitkulov, R. G., & Samulkin, A. S. (2007). Evolution of the concept of Russian economic reforms in the 1980s–1990s. Moscow: HSE. (in Russian).

© Bella G. Shelegeda, Nataliya V. Pogorzhelskaya, 2021

Received 12.02.2021

Accepted 13.03.2021