

OPPORTUNITIES AND LIMITATIONS OF REGIONAL AUTHORITIES' USE OF PUBLIC ADMINISTRATION TOOLS FOR ECONOMIC DEVELOPMENT

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Abstract

The article outlines the authors' understanding of the formulation of the regional economic policy. Within the framework of the research, the authors examine regional authorities' willingness to successfully implement the strategic goals of economic development. The methodological basis of the systematic, logical, and comparative analysis allows examining the opportunities and limitations of regional authorities' influence on the development of the regional economy. The article highlights the need for improving the existing instruments of public administration (state regulation) that can contribute to the development of the economy. In this regard, the authors emphasize the problem of defining sectoral and consolidated registers of public authorities' regulatory competencies involved in the constituent entities of the Russian Federation, and the formation of the state regulatory policy. The practical significance of the article is related to the possibility of using the research results to enhance regional authorities' capabilities to influence the development of the economy.

Keywords: public administration instruments; regional economic development; public administration effectiveness

JEL classification: R58, R1, R5, R11, O1, O2, H83, H70

1. Introduction

The key objective of modern Russia is the growth of the economy and the diversification of its sources (Medvedev, 2016). The problem of ensuring economic growth has acquired particular relevance in the context of the formation of the strategic planning system in the Russian Federation (Decree of the President of the Russian Federation of 07.05.2012 No. 596 "On Long-Term State Economic Policy". Federal Law No. 172-FZ of June 28, 2014 "On Strategic Planning in the Russian Federation").

As an integral part of the national economy, regional development is ensured by the implementation of the principle of strategic planning unity and integrity. The strategic plans of regions are built into the system of federal documents about strategic planning. The strategic management is coordinated with the budgetary policy. The balanced and interrelated documents about the strategic development of the Russian Federation, its regions and municipalities will allow forming a favourable environment for implementing investment projects and business programs (Order of the Russian Federation Government of 17.11.2008 № 1662-p "On the Concept of Long-Term Social and Economic Development of the Russian Federation for the Period to 2020").

In the law on strategic planning, the federal legislator declared the principle of the potency and effectiveness of strategic planning: the choice of techniques and methods for achieving the goals of socio-economic development should be based on the need to achieve specified development results with the least resource costs.

To implement the principles of effective public administration of economic development, it is necessary to understand public administration tools. The authors adhere to institutionalists' scientific views and seek to find a way to complement the market mechanism

with a mechanism for the formation and implementation of collective economic decisions. The aim of the article is to substantiate the opportunities and limitations of state authorities' use of public administration tools for achieving the objectives of regional economic development.

The hypothesis implies that the administrative tools available to regional authorities have a number of disadvantages that limit the application of these tools for achieving the objectives of the state's new industrialization.

2. Literature Review

The review of scientific research and publications on the theme of this article demonstrate authors' close attention to the problem of increasing the efficiency of the state economic policy and the search for effective tools for the public administration of economic development, and the improvement of the state regulation practice.

For quality assurance and regulatory outcomes, the leading principles of the Organization For Economic Cooperation and Development (OECD) determine that regulation is a key instrument for achieving the goals of governments' social, economic and environmental policies. Governments have a wide range of regulatory mechanisms at their disposal. These mechanisms reflect the complex and diverse needs of their citizens, communities and the economy (OECD, 2005).

Z.A. Saidov (2016) conducted an analysis of regulatory practices. The author developed a few proposals on the development of the economy's state regulatory forms and methods, as well as on the creation of legal and organizational guarantees of legality in the economy of the Russian Federation.

According to North Douglas (1991), institutions perform the role of the so-called 'game rules' in the society. By reducing uncertainty and structuring everyday life, institutions affect the functioning of economic systems. Institutional changes determine the way societies evolve over time.

On the example of developing countries, Gani Aldashev (2017) examines how authorities, and institutions that restrict or supplement them affect the development process. The author monitors the degree of this influence, depending on the overall level of the country's development.

Nick Williams and Tim Vorley (2017) also differentiate the experience of promoting entrepreneurship in states that are at various development levels. They consider the restructuring of formal and informal institutions as support means for entrepreneurship.

Exploring the elements of the regional self-development theory, O. S. Sukharev (2017) interprets 'self-regulation of the regional economy' in the following way. "Regional authorities, with all their powers and resource capabilities, serve as a regulator. The range for regulation is defined in relation to the regions of Russia by federal legislation, and the policy pursued by the federal executive power bodies."

When examining the problems of the public administration of the economy in modern Russia, researchers point to the following problems that remain unsolved:

- The need to develop a concept of the economy's development and public administration on the basis of constitutionally established values and principles that constitute the basis of the constitutional system of Russia (Sharifov, 2017).
- The large number of formal administrative requirements for business entities with lower administrative costs due to non-fulfilment or formal fulfilment of a number of requirements in economic life (Saidov, 2016).
- The need for integrated legislative and administrative improvements for Russia (Sukharev, 2017).
- The need to organize coordinated actions of federal and regional authorities, as well as local governments for creating the most favourable conditions for the economic development of the constituent entities of the Russian Federation (Kuzminova, 2016).

The scientific activity in the field under investigation is associated with the search for solutions to the problems of increasing the efficiency of public administration tools in the context of economic development.

As new supportive rules for enterprises, V.A. Mau and A.B. Ulyukayev (2015) propose "Developing state support instruments for large and medium-sized investment projects that

have a significant multiplier effect on the economy and contribute to the solution of infrastructure and social problems, and improving the quality of the preparation of projects and the mechanisms for their selection in the context of using the resources of the National Welfare Fund and the project financing mechanism.”

The problem of assessing the effectiveness of public administration (regulation) in the context of the regional economic development is particularly relevant in the presence of legal uncertainty. The federal legislator’s declaration of the principle of the strategic planning effectiveness does not regulate the notion of effectiveness, as well the criteria and powers in determining the effectiveness of state administration (regulation). S.A. Starostin (2016) notes that “...Currently, there are methodological recommendations for evaluating the effectiveness of investment projects, methodological recommendations for calculating the indicators for assessing the effectiveness of public property management and the formation of statistical supervision; however, these acts do not give an answer to the question about what form of state administration it is more effective to apply in the implementation of investments in infrastructure...”

According to the OECD "... achieving better regulatory performance requires not just good governance. It is vitally important to have a set of necessary and mutually supportive regulatory mechanisms and structures ...".

Lawrence J. (2015) investigates the influence on the relationship between the management and effectiveness of the so-called context (By ‘context’, the author means “situational opportunities and constraints that affect the emergence and relevance of organizational behaviour, as well as functional relations between variables (including sectoral or economic characteristics, as well as other regulatory and institutional structures and regimes”) and substantiates the need to develop a context theory and the way the context affects the relationship between management and effectiveness. The importance of the external context for improving management is clearly expressed in the studies of Junjan and Torenvleid (Junjan, Torenvleid, 2016; Junjan, 2016).

Mirela Xheneti (2016) promotes the authors’ understanding of policy formation by examining the institutional dynamics between the transnational and national levels of policy development.

Tessa Conroy states how various public policies explain the observed movement of producers between countries (Conroy, Deller, Tsvetkova, 2017). Kronenberg (2013) investigates the regional factors of interstate business transfers. According to Kronenberg, agglomeration economies, human capital, average wages, and industrial diversity are some of the important determinants of crossings.

Criticism is expressed towards the existing institutions and public administration tools in the context of economic development.

Examining the applicability of the existing set of administrative mechanisms related to the major administrative paradigms for overcoming the modern global challenges, A.G. Barabashev (2016) comes to negative conclusions.

Scientific research and publications include authors’ criticism towards the existing tools of public administration in the sphere of economic development.

Researchers point to the shortcomings of legislation on the formation of priority development areas (Mironov, 2016) and special economic zones (Chernyshev, 2016). The results of the control measures of the Accounts Chamber of the Russian Federation reflect the shortcomings of the mechanism for special economic zones: "...the special economic zones in the Khabarovsk and Primorye krajs and the Murmansk Oblast actually do not function. Long-term plans for the development of these special economic zones, which were stipulated in the agreements on their formation, have not been developed or approved." The Accounts Chamber of the Russian Federation notes the need to prevent the misuse or insufficient use of funds allocated for the development of special economic zones. In addition, the Chamber notes that the activity of priority development areas require some adjustments to the legislation for the effective performance and cooperation with state authorities and local governments these territories are formed in (Report on the audit results of the Accounts Chamber of the Russian Federation, "Audit of the Effectiveness Using Public Funds Aimed at the Formation and Development of Special Economic Zones" (<http://www.ach.gov.ru>)).

The Ministry of Economic Development of Russia initiates the legislative consolidation of general rules for levying non-tax payments (<http://economy.gov.ru>).

The publications reviewed by the authors of the article testify to the scientific search for ways to improve the policies of regional economic development. Further research in this area may be related to the search for possible specific structural changes affecting the mechanisms for managing the existing regulators. According to OECD guidelines, the latter can be most effective if implemented in conjunction with a broader review of the policy with reference to regulatory schemes, or with an analysis of opportunities to improve operational performance.

3. Materials and Methods

The authors used the deduction method as the main method for the research. The research is not based on calculations. It is based on reasonable arguments and substantiation of the authors' position. The authors analyzed the existing public administration tools used in the Russian practice for solving the problems of regional economic development, as well as identifying the limitations (problems) of their use in the context of the need to comply with the principle of public administration effectiveness.

In the course of the research, the authors proceeded from the fact that the public administration tools for solving the problems of regional economic development should be separated from the mechanisms for legally regulating economic relations. Both of the above-mentioned mechanisms are regulatory tools and serve as carriers of administrative and legal permits, prohibitions, and orders. However, these mechanisms differ in their emphasis. One is a mechanism of legal regulation that is uniform for all law branches, while the other is a management tool used by specific executive bodies to achieve the goals of economic development. A public administration tool for solving the problems of regional economic development is a method, a medium, a technique that will allow the executive authority of a constituent entity of the Russian Federation to implement its competencies (set of powers) for solving specific problems of regional economic development.

As an information base for the research, the authors used the Constitution of the Russian Federation and the federal laws of the Russian Federation, which regulate the relations between the entities of the economy and state authorities' powers in this sphere. The selection of legal acts was done by the method of expert assessment. The proposed list is not exhaustive and can be expanded.

Taking into account the results of the research, the authors propose to define the concept of the 'public administration tools of the authorities of the Russian Federation constituent entities for achieving the strategic objectives of regional economic development' as a list of regulatory competencies of the authorities in regional economic development. This regards the competencies that would allow state authorities to provide tax and non-tax preferences, budgetary funds, and state guarantees to specific entities of the regional economy (categories of regional economy entities).

The authors of the research took interest in studying the evolution of legal regulation in the context of regional economic development, as well as assessing the condition of regulatory competencies of state authorities of the Russian Federation.

This research is a continuation of previous studies carried out by authors. Within the framework of these studies, the authors propose a method for assessing the effectiveness of the activity of the state authorities in the field of economic development as a management tool for achieving the strategic goals regional economic development (Belyakov, Vorobyeva, 2016).

4. Results and Discussions

The theoretical significance (in clarifying the conceptual apparatus, in the field of tools and methodology) of the research results is related to the identification of the opportunities and limitations of regional authorities' use of public administration tools in the sphere of economic development, as well as the authors' proposals for improving the effectiveness of the regional management of economic development. Federal and regional governments can use the authors' proposals in preparing plans for implementing socio-economic development

strategies, as well as for institutional reforms. The research results complement the theory and practice of regional management with new knowledge.

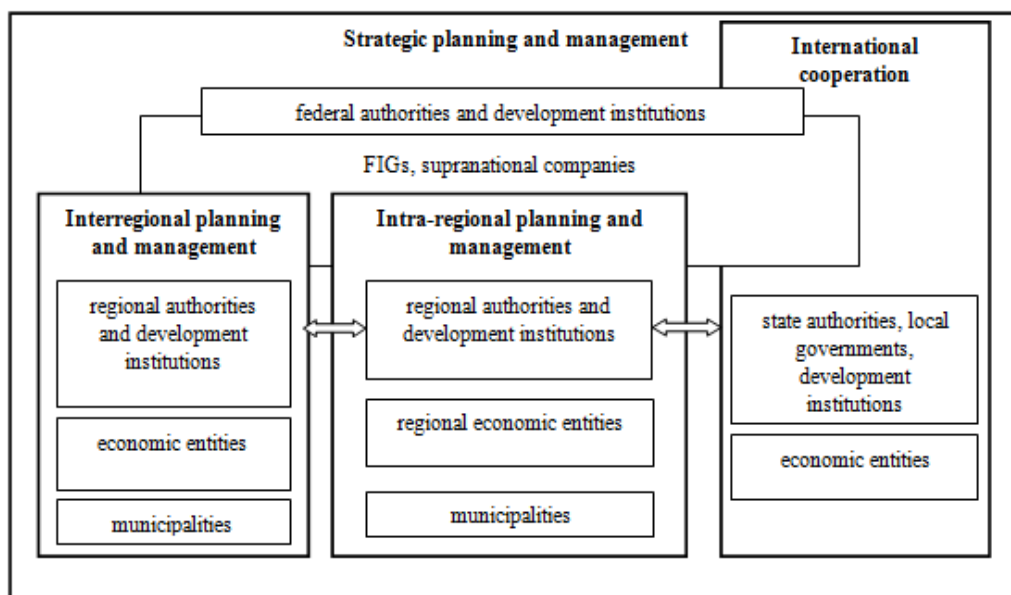
The authors present the research results in the form of answers to the questions touched upon throughout the research.

The authors of the research took interest in the state of the institutional environment. In the Russian Federation, there are both formal and informal institutions for economic development, among them the Industrial Development Fund, the Small and Medium-Sized Enterprise Support Corporation, the Russian Export Center, as well as the Investment Fund, the Regional Development Fund, and the Russian Development Bank were established. In addition, there are regional development corporations, whose main objective is to ensure a high rate of social and economic development, effective cooperation between authorities and investors in the process of developing and implementing projects for social and economic development, the development of public-private partnership principles, and the attraction of investments and technologies into the economy.

The modernization processes in the system of economic relations in Russia are characterized by the growing role of regions and interregional competition. The diagram shows regional authorities' increasing role as the organizer, coordinator and regulator of regional economic development.

Figure 1 presents the diagram of the cooperation between state authorities, development institutions, local governments, investors and other economic entities in the process of exercising powers in the sphere of economic regulation.

Figure 1: The Diagram of the Cooperation between the Authorities of the Russian Federation in the Sphere of Regional Economic Development



The above-mentioned cooperation is carried out at the following levels:

- At the federal level, where the basis for regulating economic relations in the Russian Federation is established. The Russian Federation is responsible for the establishment of the foundations of the federal policy and federal programs in the sphere of the economic development of the Russian Federation, the establishment of legal basis for a single market, financial, currency and customs regulation, money emission, the basis of the pricing policy, and federal economic services, including federal banks (Article 71 of the Constitution of the Russian Federation). The cooperation is carried out in the framework of the strategic planning system.

- At the regional level, where the basis for regulating economic relations in the Russian Federation is established. It is at the regional level that the cooperation between the bodies of the regional economy, financial and industrial groups, supra-national companies and municipal entities is carried out. At present, the role of business in the society and the need for state support for the implementation of various business ideas have been substantiated.

The applied methods of program-targeted management (state programs) provide for the participation of business associations. The cooperation between business communities and the state is carried out in various forms, including public-private partnerships, coordination councils, arbitration bodies, etc. (Burkov, 2017).

- At the interregional level, where it is possible to establish the basis for regulating economic relations in two or more constituent entities of the Russian Federation, which corresponds to the established international practice (Ilina, Leonard, Pliseckij 2015). It is necessary to point out that the set of powers to implement interregional cooperation is not regulated. This is a serious problem in the context of interregional cooperation.

- At the international level, where the foundations of regulating the cooperating parties' relations in the context of economic development can be established.

In their studies, Leonard, Nazarov, Vakulenko (2016), Kuntal, and Quirk (2016) note the importance of subnational institutions for the development of post-Soviet Russia.

State influence on the economy is realized through the impact on the function of the private economic sector with the help of a variety of economic instruments.

It is important to discuss the evolution of the current state of legal regulation in regional economic development. The legal basis for the economic development in the Russian Federation are determined by a large array of the existing laws and constantly evolve around the foundations of the Russian Constitution. The solidarity of economic space, free movement of goods, services and financial resources, support of competition, and freedom of economic activity (Article 8 of the Constitution of the Russian Federation) are constitutionally guaranteed in the Russian Federation. The economic activity aimed at monopolization and unfair competition is not allowed (Article 34 of the Constitution of the Russian Federation).

In the historical retrospect, it is possible to observe activation of the state policy towards supporting economic growth in the Russian Federation. This point of view is supported by O.S. Sukharev (2017) and S.A. Starostin (2016). Civil law relations, taxation issues, labor relations, environmental management, formation of free economic zones and priority development areas, protection of competition, creation of conditions for the administration of small and medium-sized businesses, restrictions on state control, the contract system in the sphere of public procurement, the principles of public-private partnership and industrial policy have been consistently settled. A system of strategic planning has been formed.

The authors studied the provisions of 29 federal laws that regulate the relations between entities that carry out activities in various spheres of the economy (Figure 2), and the powers of state authorities in these spheres.

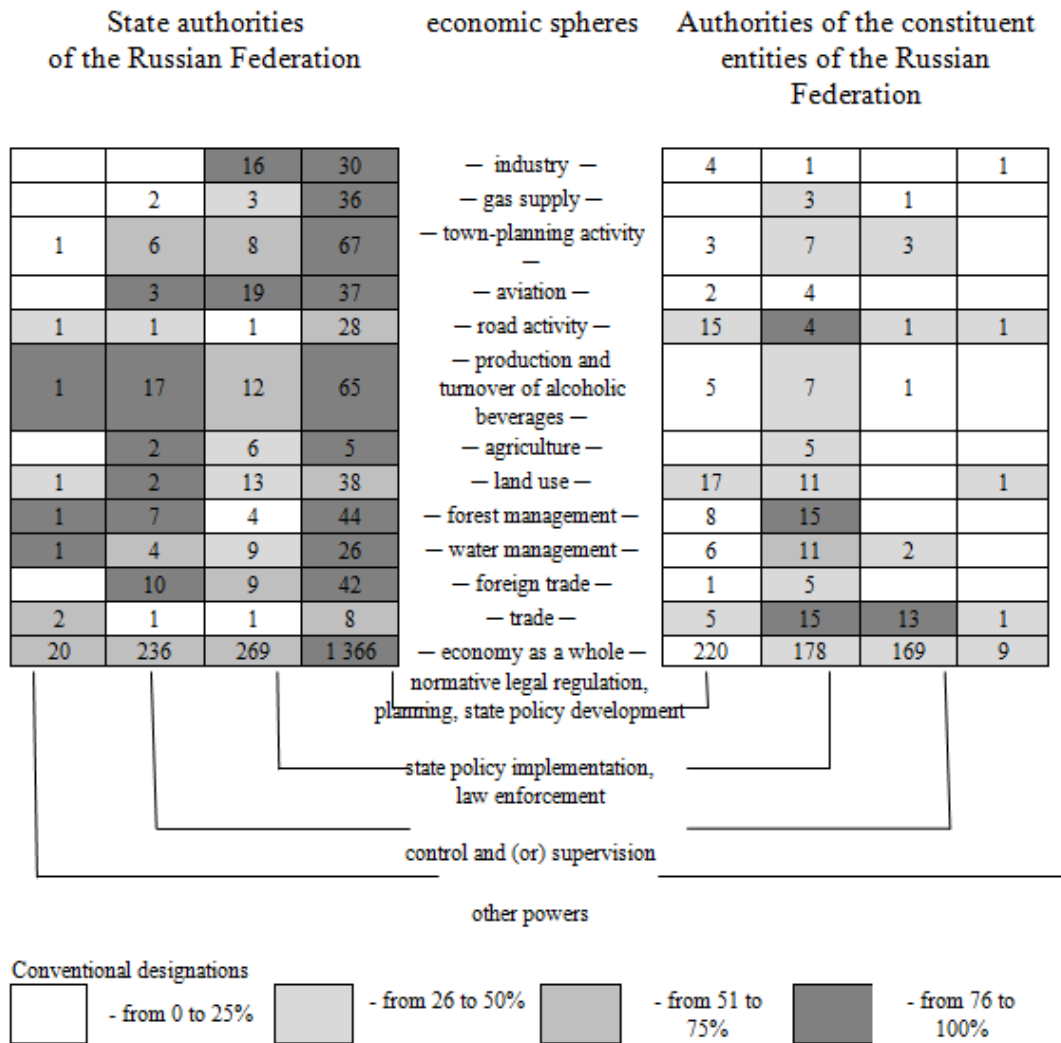
Figure 2: Chronology of Russian state Authorities' Legislative Allocation with Powers, Whose Implementation Has an Impact on the State of the Economy

economic sphere		year of adopting the existing federal laws																		
		1993	1994	1995	1997	1998	1999	2001	2002	2004	2005	2006	2007	2008	2009	2011	2013	2014	2015	2016
economy (public and legal formations)																				
industry																				
economy	public-private partnership																			
	strategic planning																			
	priority development areas																			
	state procurements																			
	purchases by individual legal entities																			
trade																				
economy	state control																			
	small and middle-sized businesses																			
road activity																				
agriculture																				
forest management																				
water management																				
economy	protection of competition																			
	free economic zones																			
town-planning activity																				
economy (environmental protection)																				
land use																				
economy (labour relations)																				
gas supply																				
international trade																				
investment activities																				
economy	regional government																			
	taxes and budget																			
aviation																				
production and turnover of alcoholic beverages																				
economy	civil-legal relations																			
	constitutional framework																			

The authors of the article attempted to answer the question about whether the regional authorities have sufficient powers to stimulate regional economic development. The analysis of the legislatively established powers indicates to their overall prevalence (more than 3 times) among the federal authorities both in the economy as a whole and in certain spheres of the economy, which is reflected in Figure 3.

The specified statistics are based on the analysis of the norms of the legislative acts selected by the authors. The adoption of subordinate laws multiplies the number of established powers. As an illustration, the authors point to a number of normative legal acts (about 9 thousand units) included in the thematic section "Industry" of the Consultant Plus.

Figure 3: Distribution of State Authorities' Powers in the Sphere of Economy Regulation (units and %)



The formation of authorities' powers is still in progress. As anti-crisis measurements, the Deputies of the State Duma of the Russian Federation proposed:

- Introducing a state planning system for the social and economic development of the Russian Federation; forming a unified management system for the development of the national economy, including state planning bodies, i.e. anti-crisis management systems.
- State support measures for growth points of the national economy through the provision of budget investments and other forms of state support, and the implementation of public-private partnership projects.
 - Intensification of the state industrial policy of the Russian Federation aimed at ensuring sustainable growth of the industry, primarily in process industries, and at carrying out import substitution.
 - A temporary change in the legal status of the Central Bank of the Russian Federation within the framework of its participation in activities aimed at implementing the priorities of the social and economic development of the Russian Federation, as well as state support measures for the national economy.
 - Measures to protect the financial market of the Russian Federation and to restrict the capital export from the Russian Federation.
 - state regulation of prices (tariffs) for certain types of goods (labour, services), activation of the state anti-monopoly policy.

The parliamentarians propose introducing a state planning system for the social and economic development of the Russian Federation based on a regular monitoring of the national welfare (Draft Federal Law No. 882161-6 "On Priority Measures to Stabilize the

Social and Economic Situation and on the Transition to the State Planning of the Social and Economic Development of the Russian Federation"), tightening parliamentary control over the formation and implementation of plans for the social and economic development (Draft Federal Law No. 240438-6 "On Amendments to the Federal Law 'On the Parliamentary Investigation of the Federal Assembly of the Russian Federation' and the Criminal Code of the Russian Federation").

In accordance with the list of instructions of the President of Russia, the Government of the Russian Federation prepared a draft federal law "On scientific and technological valleys". The law was aimed at regulating the provisions of conditions for the establishment and functioning of scientific and technological valleys as territorially isolated complexes formed on the basis of higher educational institutions and scientific organizations and aimed at creating favorable conditions for the implementation of priority development areas of science, engineering and technologies, as well as at ensuring an increase in attracting investments in research and development, as well as in the commercialization of scientific and technical results, and forming knowledge-intensive industries

(<http://economy.gov.ru/minec/about/structure/depcorp/2017110503>).

Thus, the authorities of the constituent entities of the Russian Federation have significant opportunities for using government regulation tools to solve the problems of regional economic development. Restrictions on the use of these tools are related to the lack of registers of the authorities' regulatory competencies.

The identification of 'public administration tools of state authorities of constituent entities of the Russian Federation for achieving the strategic goals of regional economic development' can be done on the basis of the lists of state authorities' regulatory competencies. In the framework of specific investment projects of permits, tax and non-tax preferences, these competencies would allow state authorities to provide specific entities of the regional economy (categories of regional economic entities) with the following conditions: granting of subsidies and state guarantees, research and development co-financing, measures to stimulate demand (including through the public procurement system and tariff regulation measures), application of special investment contract regimes, a mechanism for granting investment tax credits, provision of state property (land and infrastructure), a 'single window' for the investor, accelerated and facilitated administrative procedures, and so on.

It is also possible to assess the state of regulatory competencies of the authorities of the constituent entities of the Russian Federation after giving a solution to the problem of forming the register of state authorities' regulatory competencies by analogy with the registers of public services (Article 11 of the Federal Law of July 27, 2010, No. 210-FZ "About the Organization of Provision of State and Municipal Services") and with registers of budgetary obligations (Article 87 of the Budget Code of the Russian Federation).

The problem of the sufficiency of regional authorities' regulatory competencies for realizing the objectives of the country's new industrialization can be solved by involving all the available tools in the management practice. V.A. Mau and A.V. Ulyukhaev (2015) proposed "Inventory of legal regulation and management of business practices...".

The authors of the research touched upon the question of how to select the most effective management tools from the vast array of established powers to be used by specific executive bodies (in the context of this article, regional authorities) to achieve specific goals of economic development aimed at implementing the principle of public administration efficiency.

Any regulatory power is subject to an assessment of its regulatory impact. According to the OECD Guidelines for Quality Assurance and Regulatory Results (OECD 2005), the most suitable regulatory mechanisms are the ones that rely on all aspects of the regulatory framework. This approach should yield the greatest benefits.

In Russia, the mechanism of regulatory impact assessment has been applied recently and is established by Article 26.3-3 of Federal Law No. 184-FZ of 06.10.1999 "On General Principles of the Organization of Legislative (Representative) and Executive Bodies of Constitutional Entities of the Russian Federation". Up to half of all normative legal acts undergo regulatory impact assessment.

The experts of the World Bank highly appreciated the regulatory reforms and the development level of the RIA (Regulatory Impact Assessment) systems in Russia (<http://economy.gov.ru/minec/about/structure/deprelatinginfluence/2017050506>).

The authors find it important to continue the scientific discussion of the assessment methodology problems (Romanova, Strovsky, 2016). Examples of such assessments are found in foreign practice as well (Fabrice Defever, 2017; Friedrich Heinemann, Marc-Daniel Moessinger, Mustafa Yeter, 2017).

Restrictions on regional authorities' use of state regulatory tools for solving the problems of regional economic development are related to the lack of a certain methodology for assessing and selecting the most effective tools for solving specific problems of economic development.

The above-mentioned restrictions are also related to the availability of federal authorities' various approaches for the implementation of regulatory powers by regional authorities. For example, the order of the Ministry of Finance of the Russian Federation of December 3, 2010, No. 552 views the granting of regional tax privileges as a negative factor of assessment, while the methodology established by the order of the Government of the Russian Federation from 11.04.2016 No. 642-p is viewed as positive.

The possibility of having multidirectional assessments is predetermined by the absence of a federal regulatory policy. The concept of the state regulation of regional development, as well as the specifics of the participation of federal authorities, state authorities of the constituent entities of the Russian Federation, local governments and economic interaction associations of the constituent entities of the Russian Federation (Draft Federal Law No. 18259-3 "On the fundamentals of state regulation of regional development in the Russian Federation") in the above-mentioned process has been formed but not approved.

According to the authors, it is advisable to form a regulatory policy that determines – among other things – the following areas:

- establishment of a unified methodology for assessing the effectiveness of regulatory competencies,
- maintaining a single register of government bodies' regulatory competencies,
- exclusion of federal authorities' various approaches to the implementation of regulatory powers by regional authorities,
- forming subdivisions engaged in implementing regulatory competencies in the system of executive bodies.

In order to prevent conflict between the regulatory policy and the competition protection policy, it is obviously required to update Chapter 5 of Federal Law No. 135-FZ of July 26, 2006 "On Protection of Competition", in particular, the regulation of the provision of state preferences.

5. Conclusion

The implementation of ambitious long-term plans to modernize the basic sectors of the regional economy and the formation of new promising niches requires the availability of reliable management tools of the state authorities of the constituent entities of the Russian Federation.

The legal basis for ensuring the activities of executive bodies of the constituent entities of the Russian Federation in the field of economic development is formed by a significant number of federal regulatory legal acts.

Powers are evolving towards strengthening the state support for economic growth. A regulatory impact assessment mechanism has been introduced and is being applied. The study confirmed the need to audit and eliminate public authorities' unnecessary overlapping powers in the field of regulatory legal relations in the sphere of the economy. It is necessary to bring to the foreground and segregate state authorities' regulatory competencies viewing regulatory competencies as a code of powers that are used by regional authorities to develop the economy and (or) its individual spheres. In this sense, the authors of the research recommend formulating the missing registers of regulatory competencies that are viewed as a set of tools regulating influence on the economy or its individual spheres. It could be used in choosing the most effective way of achieving the goals of economic development. The transparency and accessibility of the register of regional authorities' regulatory competencies will allow

businesses to take into consideration various regulatory scenarios when forming business development strategies. The understandability of regulatory procedures and the ability to 'evaluate' them based on the effectiveness of their influence on the achievement of the goals of economic development will increase regional authorities' capabilities in the process of achieving the goals of the strategic development of the economy.

According to the authors of the research, it is required to form a state regulatory policy that will determine the priorities and foundations of regulatory activities, which will allow developing federal authorities' similar attitude to the facts of implementing measures of state support for economic development by the authorities of the constituent entities of the Russian Federation.

The field under investigation is marked by a limited understanding of the most effective institutional basis for the regulatory policy and the lack of a clear understanding of effective tools for public administration in the field of economic development.

The methodology for assessing the effectiveness of regional authorities' tools for influencing the regional economic development (due to its lack) can be subject to further scientific research.

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