

# INOVATIVNI MEHANIZMI REGULACIJE MEĐUREGIONALNE DRUŠTVENO-EKONOMSKE ASIMETRIJE U UKRAJINI

## INNOVATIVE MECHANISMS OF REGULATION OF INTERREGIONAL SOCIO-ECONOMIC ASYMMETRY IN UKRAINE

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### Summary

Defined strategy of modernization of the Ukrainian economy, gradual transition to an innovative model of development initiates solving the problem of providing stable and long-term dynamics of social and economic processes at the regional level. The process of transformation of the Ukrainian economy, and especially its expression in terms of the spatial organization of the economy of the specific regions determine different directions of mechanisms of influence, which is found to strengthen the social and economic disparities within a single domestic space. Traditional management of socio-economic development of regions under harsh structural changes, caused by the transition to a market economic system and increased competition for resources of innovative development, has shown to be ineffective and causes the need to improve existing mechanisms for regional growth, the development of new innovative instruments, especially those that are linked on to the provision of converged model of development in Ukraine.

The basic mechanisms of management of innovative development regions are:

1. The formation and development of regional innovation systems (RIS). RIS – is a specific economic system that combines territorial government bodies, business and innovation infrastructure designed to enhance innovation in the region in accordance with the strategy of innovative development of the region and the main directions of innovation policy. The main purpose of creating the RIS is to provide conditions for improvement of economic development of the region through effective use of its intellectual capacity, generation, dissemination and implementation of new knowledge.

Thus, the RIS is an organizational-economic mechanism and the social institution of post-industrial economy, which directs research and development to improve the competitiveness of the economy and social sphere of the region, and companies and organizations - the widespread use of scientific, technical, and organizational development for the production of high quality and innovation. This system is an integral component of the national innovation system and is based on a combination of market competition with the active use of instruments of regional economic and social policies.

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2. Support of the existing and activation of the new clusters of regional and interregional type. The positive effects of cluster formation are the development of cooperation and partnership between companies, which in turn, stimulates the generation of innovation, accelerating the spread of information, activates interactive learning process, reduces transaction costs and thus creates a competitive advantage for the members of the cluster.

3. More efficient use of the creative potential of the region. Development of the region on the basis of innovation depends on the ability of the region to accumulate and effectively use the creative potential of the population, respectively, requires the implementation of policies at the national and regional levels, which would be popularized and encourage people to create, receive and absorb knowledge. A prerequisite for this is the implementation in practice of the concept of "lifelong learning".

Some regions are making great progress in this direction. For their characteristics scientists use the concept of «learning region» and underline the key role of knowledge creation and collaborative learning in providing innovation and economic growth in the region.

4. Establishing inter-relationships and inter-regional integration. Interregional cooperation is one of the most effective mechanisms for activation of innovative processes and investment to implement reliable, innovative projects that can create new centers of economic development, which can be formed around areas of growth opportunities through consolidation of resources and efforts in the implementation of regional projects of common interest.

5. Formation of innovation growth poles in cities with high scientific potential. A special role in the innovative development of the regions play major cities, which are centers of knowledge management. This is due to the influence of factors such as the concentration of headquarters of major companies and headquarters of multinationals, which promote development of business infrastructure and expansion in business services, the concentration of a significant number of qualified researchers and developers, contributing to the establishment of close contacts within the city, the presence of more developed significantly higher (compared to other areas) information and communication and transport infrastructure, the concentration of people (especially young people) with entrepreneurial talent in which there are more opportunities to implement within the city. Thus, the action of agglomeration occurs.

6. Formation of a favorable business environment and increase of the investment attractiveness of regions (particularly for venture investments). Foreign direct investments have direct impact on the pace of innovation development as involving the transfer in the region of innovative technologies, products, much higher quality standards, innovative approaches to the management of enterprises, social groups and regions. In addition, the arrival into a region of a number of powerful companies promotes cluster initiatives.

Significant role in providing innovative investment of just playing venture investments are inherently risky to finance innovative projects, and thus serve as the commercialization of innovation. The presence of regional venture funds directly determines the probability and speed of introduction of an innovative product.

7. Intensification of regional information and communication infrastructure. The importance of having in a region highly developed IT infrastructure is due to its function within the regional innovation system: the repeater, distributors of new knowledge and information. The importance of this factor has increased especially in view of the information society, which requires the ability of each participant to build interactive innovation processes, interaction and direct contacts in real time.

8. Activation of internal labor migration. Regional innovation policy could also encourage mobility of labor, as it is an effective way to transfer skills and knowledge from one local company to another. Another key measure is to encourage the immigration of skilled labor as it brings new ideas and expertise to the region. This can be achieved, for example, through international

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exchange programs for students, both for those who come to study in the region and those who leave, but will return with new knowledge and experience.

9. Promote the creation of Spin-off companies. Government policies can also promote effective transfer of knowledge through the creation of spin-off companies. Spin-off company - a company that is established by entrepreneurs who previously worked in the company of the same or related sectors. Spin-off companies often find themselves successful because based on the accumulated knowledge of their owners. They are usually located near the "parent" company and can be seen as a mechanism to ensure regional economic diversity in new sectors, as based on the knowledge and skills available in existing sectors.

The effectiveness of innovative mechanisms marked growth dynamics of regional development is directly determined by the adaptation capacity of the region. It is about the ability of the regional companies, industries and institutions feel the change (market, technological, organizational) to learn, adapt and update their knowledge and expertise, and to develop and improve organizational skills, which together enable the conversion of new knowledge into effective action. The higher the adaptive capacity of innovation of regional economy and social institutional base is, the better the region provides and implements its competitive advantage.

There are numerous examples of regions that have managed to turn relative economic decline by restructuring their economies and the use of innovative mechanisms. This restructuring involves a substantial reallocation of resources between sectors, technologies and skills and is fully determined by market demands. But usually it also requires a change in the regional institutional forms and norms of behavior, as they form the innovation and the way in which markets relay changes. The role is potentially weighed and comprehensive regional policy.

**Keywords:** programs, market, behavior, sectors, factor, measure, region, innovative

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