

*Materials of conference***STRATEGIC ORIENTATIONS OF LOW LIVING STANDARDS IN RUSSIAN REGIONS**

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The generalized reproduction of the low living standard of the population is ruinous in terms of its socioeconomic consequences. The low life standard leads to the Nation's health deterioration, rising death and crime rates, decline of birth, family typology change (the percentage of incomplete, childless and invalids containing families grow, etc.), economically passive population percentage rise, social psychology deformation, social stability threat and other destructive social processes. It is acknowledged by scientists that poverty is not a simple need for means of subsistence, but a formed mode of life, which is able to self-generation at the extended scale, comprising more and more of the able-bodied population. In these conditions within the system of stable socioeconomic development of the regions a special place should be given to the realization of strategic orientations of the poverty localization taking into account not only sociodemographic features of its expansion, but socioeconomic determinants of human potential reproduction as well. Nowadays, in conditions of oligarchical groups' rent oriented interests prevalence over the survival interests of the population main part of the population, the release of poverty driving forces occurs. Thus, the poverty problem has already overgrown the industrial frames of a separate state and come to the level of global social organization problem, i.e. the sources of poverty one should search for not in the fullness of transfers provision, but in the fact why personal incomes don't agree with the market environment. Considering poverty as an indicator of socially oriented development, it should be taken into account that the struggle with the low living standard reproduction must bear a system character. The poverty activation factors resolve themselves into natural, economic, social, demographic and administrative groups.

The revelation of natural determinants promotes the poverty localization in districts with unfavorable location, unstable climatic and natural conditions of husbandry. For example, spatial location (rural and urban settlements), features of sectorial differentiation of labour (mountainous and mining areas), acts of God.

The part-time employment, high unemployment, low minimum monthly wage, low level of infrastructure development, lack of conditions

for small and medium business development, unsatisfactory level of social sphere development, unavailability of social benefits and services for the population belong to the business factors forming a favorable framework for the poverty reproduction. Regional and sectorial determinants are also of great importance. Particularly, an insufficient level of local self-government development and regional organization impotence contribute to low investment appeal of a region. The trade union movement incompetence manifests itself in disability of the employees to assert their rights. All these and other aspects come into account in the labour market segmentation theory, within the framework of which the necessity of state interference into those spheres of market, wherein the disequilibrium is linked with social strain growth, is substantiated.

The social variables are reflected in labour power characteristics. For example, the educational and specialized professional training of labour power that is inconsistent to up-to-date requirements of labour market; age pattern of labour power, level of health, general level of satisfaction with life, low rate of market mentality formation, prevalence of dependency motivation, etc. The demographic variables are connected with the growth of incomplete, invalid and retired persons containing families, growth of pension age human population fraction in total population size.

The administrative variables consist in low efficiency of target functions realized by federal government and local authorities, limited access to common property resources, political instability and low trust level of the population to the authorities.

Certainly, the regional specific features of the poverty reproduction should be born in mind, and general factors and isolated instances of manifestation and peculiarities should be emphasized. For example, general state of economy, low level of social protection, proportional scale of taxation, high unemployment level among economically active population, etc. are referred to general manifestations of poverty. As it is known, one of the most important factors of poverty reproduction is the low level of employment among economically active population. The specified problem is being solved inside households by means of the resources, intersupport and help substitution, and in the national level – by means of the implementation of concrete programs oriented to the specified population group. The isolated instances of poverty level increase are conditioned by accidental development of certain circumstances having unstable, irregular character (natural hazards causing

mass life standard decrease and impoverishment of the population). The specific factors are conditioned by the spatial features and industry classification of the considered spatial community. For example, the specific factors at a large extent are peculiar of rural areas. In particular, the specific factor of poverty stagnant character production in rural areas is a low earning power ratio of agrarian employment, not providing a full reproduction of human resource, oriented to the predominance of hard low qualified physical labour. The influence of specific factors on the general tendencies' activity conditions the necessity of the strategic orientations realization of the struggle with the population's low life standard reproduction.

The development of scales' reduction and poverty localization strategic orientations attend any program of socioeconomic development. Thus, the poverty coping strategy in accordance with the Rostov-on-Don Strategic Plan of Socio-economic Development for the period until 2010 includes the complex of both active and passive measures:

- the development of socially vulnerable population groups' self-employment;
- welfare payments size increase;
- increase of social protection measures financing budgetary component owing to the place budget replenishment;
- search for additional sources of targeted social assistance financing (charity and social sphere development directly on the premises).

The primary strategic orientations of poverty localization are:

- the enlargement of able-bodied population groups' income sources through employment programs, wage indexation, informal incomes legalization and transfer of non-monetary types of wages into monetary ones;
- providing of non-discriminatory access of the population to social services (education, health care) and social programs (benefits, privileges, etc.);
- qualitative refinement of social security system inclusive of new trends in social work organization.

As far as poverty is reproduced in persistent forms, its decrease potential depends on the market forces synthesis mobilization regarded as internal regulation resources and external influences on the part of administrative leverages and the application of private, state and nonprofit economy sectors' interests' accommodation mechanisms. On the part of state influence a balance between the passive function of the state in the form of direct social services and help for the needy and active regulation in the form of participation in the programs of gainfully occupied population's human assets

guaranteed resource and income access leveling. Amongst the package of regulatory control action measures of the state on economic and social sides of the public life the most important ones are such strategic orientations of poverty localization as:

- guaranteeing an effective mechanism of the population's economically active part employment promotion;
- guaranteeing of an effective mechanism of the population's social protection with the correspondent set of its realization instruments in terms of the most socially vulnerable part of the population, which is not able to earn a reasonable living (one-parent families and the ones having many children, families with children, single aged, the disabled, youth, migrants);
- guaranteeing of an effective double-natured incomes taxation mechanism promoting business activity growth and exercising a fair transfer of income;
- guaranteeing of an effective monetary system functioning mechanism allowing increasing the availability of credit resources, mortgage credit lending for the purpose of living standard leveling, and particularly, for the purpose of residence improvement, getting education, medical maintenance, acquisition of durable goods.

As for the population's social support mechanism realization, in this direction it is necessary to refine the functioning system of targeted social assistance, take into account the social assistance need degree of the population and correct the mistakes of including and excluding from social programs.

The general unsteady state of Russian economy makes pay attention to the poor households' development reserves and possibilities of their own. Such an approach was dubbed a "self-reliance" one and is founded on using the socioeconomic potential of families and their business activity increase. The main idea is to mobilize the economic activity and aim it at the negotiation of inactivity, dependency, indifference and uncertainty of the needy households in their own abilities. A positive example of poor and needy households' self-adaptation can serve a practical application of "From benefit to salary" program developed by the "Urban Economics Institute" Fund, the distinctive feature of which is that it not only helps the families satisfy daily living needs using monetary grants, but also provides assistance by employment of jobless able-bodied family members. However, the own resources mobilization and targeted support resources attraction efficiency will be higher in the case when these measures group with the purposeful state and local council behavior focused on self-adaptation and self-

employment of the needy and poor citizens. These are such action methods:

- the development of mortgage credit and other forms of lending;
- the assistance to self-employment in the sphere of small and medium business;
- the creation of promotional tax treatment for the entrepreneurship in the sphere of social services;
- the development of informative-consultative service network concerning the adaptation to labour market conditions and advanced training, and own business organization questions;
- the development of users' cooperatives in the sphere of social services production.

In Russia the attempts to develop the nationwide poverty localization program are undertaken. A complex solution of all these problems has a strategic value and allows considering the poverty negotiation in terms of life quality improvement including: the quality of intrasocial relations (personality, people, separate social groups and civil society organizations), the labour and entrepreneurial relations system quality (work and business ethics and responsibility), the social infrastructure development quality (the degree of satisfaction with social benefits and services), the environmental quality (external effects problem solution), the satisfaction with life quality including personal security. The content of measures aimed at the poverty reduction must reflect the whole cumulative action affecting the population's consumption level increase, benefits availability, and human potential growth.

Thus, the All-Russia socioeconomic development target program focused on the poverty localization must involve the following tasks' solution:

- 1) the population's health improvement (lifetime and, in particular, working activity growth providing the possibility of getting a higher income level);
- 2) the education refinement and effective labour market formation, that guarantee people's economic opportunities adjustment mechanism;
- 3) the arrangement of conditions for the population's comfortable accommodation provision growth;
- 4) the insurance compensation desired level provision in the period of loss of wages, targeted social assistance and social service of disadvantaged groups of the population;
- 5) the economic growth, competitive recovery of the economics, socioeconomic distinctions' reduction between regions, cities and rural areas.

Together with the federal program, regional targeted programs of low living standard localiza-

tion are being developed. It allows realizing the wide social power and the responsibility of bodies of state power of subjects of the Russian Federation for the corresponding regions' residents, taking into account those features of poverty reproduction and its stable trend manifestation, which cannot be covered by the All-Russia program. A systematic and complex approach to the specified problem solution must be based on the coordination of various level state authorities' efforts at distinct delineation of powers and functions. The current monitoring of steady poverty reproduction causes and their tension level analysis can become a practical framework for the formulation of poverty localization concept considering territorial and categorical peculiarities of their manifestation and methodological procedures of a concrete region poverty socioeconomic portrait construction.

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#### **REGION INNOVATION EXTENDED REPRODUCTION STRATEGY**

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The innovation extended reproduction allows modernizing the technological base of regional economics and providing the competitive edge of its production essentially. As an innovation infrastructure system forming component, providing the extended reproduction of a territory innovation potential, we offer the regional innovation center creation in Rostov Region (RIC). The principle RIC activity directions are:

- the analytical, informative and consultative support of the Rostov Region Authorities in the sphere of the territory's innovation development, the elaboration of socio-economic and scientific-technological development programs, holding of exhibitions, conferences, seminars, other actions;
- the entrepreneurial business extension work in scientific and technological sphere, innovation activity of higher education institutions, academic and sectorial institutions and the implementation of innovation projects aimed at the development of science, the creation and introduction of modern knowledge-consumptive competitive technologies on the shop floors of the region;
- the execution of an examination of scientific and technological projects, new technologies,