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# CONCEPTUAL ASPECTS OF THE MANAGEMENT OF INNOVATIVE DEVELOPMENT OF REGIONS AT THE NATIONAL LEVEL

The reforms of the restructuring of the national and regional development management system combine such components as: transition of national and regional policy to a new system level consolidation of territorial units; decentralization of power; formation of a new model of local self-government; changes in the administrative-territorial structure. The complex of the listed components of the studied reform process proceeds in time together and in interactions between subjects of the power, creating at the same time extremely difficult situation for understanding and carrying out actions. This system is also complex and multidisciplinary. It should use: legal norms; institutional norms; economic characteristics and indicators; organizational and managerial models, mechanisms and technologies and much more. Thus, there is a need for a reasoned solution to the development and adoption of a new theoretical and methodological approach to solving this problem. Key words: innovative development, national development, regional development, region.

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## КОНЦЕПТУАЛЬНІ АСПЕКТИ УПРАВЛІННЯ ІННОВАЦІЙНИМ РОЗВИТОКОМ РЕГІОНІВ НА НАЦІОНАЛЬНОМУ РІВНІ

Реформи реструктуризації системи управління національним та регіональним розвитком поєднують такі складові, як: перехід національної та регіональної політики на новий системний рівень укрупнення територіальних одиниць; децентралізація влади; формування нової моделі місцевого самоврядування; зміни адміністративно-територіального устрою. Комплекс перерахованих складових досліджуваного процесу реформування протікає в часі разом і у взаємодіях між суб'єктами влади, створюючи водночас надзвичайно складну ситуацію для розуміння та здійснення дій. Ця система також є складною та багатопрофільною. Він має використовувати: правові норми; інституційні норми; економічні характеристики та показники; організаційно-управлінські моделі, механізми та технології та багато іншого. Таким чином, виникає потреба в обґрунтованому розв'язанні розробки та прийняття нового теоретико-методологічного підходу до вирішення цієї проблеми.

Тому, якщо влада зараз діє в умовах розвитку ринку та ринкових відносин, вона повинна змінити методи своєї діяльності. Порівняльний аналіз ринкових і державних макрорегуляторів дозволяє зробити висновок, що краще не змінювати одного регулятора на інший, а перейти до змішаного типу управління, в якому повинні органічно поєднуватися переваги двох існуючих економічних механізмів. При цьому влада зі своїм адміністративним апаратом виконує різноманітні функції, трансформуючи норми і практику.

Ключові слова: інноваційний розвиток, національний розвиток, регіональний розвиток, регіон.

#### Formulation of the problem

The reforms of the restructuring of the national and regional development management system combine such components as: transition of national and regional policy to a new system level consolidation of territorial units; decentralization of power; formation of a new model of local self-government; changes in the administrative-territorial structure. The complex of the listed components of the studied reform process proceeds in time together and in interactions between subjects of the power, creating at the same time extremely difficult situation for understanding and carrying out actions. This system is also complex and multidisciplinary. It should use: legal norms; institutional norms; economic characteristics and indicators; organizational and managerial models, mechanisms and technologies and much more. Thus, there is a need for a reasoned solution to the development and adoption of a new theoretical and methodological approach to solving this problem.

## Analysis of recent research and publications

Domestic and foreign scientists have been involved in the management aspect of the region's and national innovative development. These include: Mamontova N. [1], Kyryliuk Ye. [2], Mochernyi S. [3], Bobrovska O. [4], Hanushchak Yu. [5], Karyi O. [6], Borshchevskyi V. [7], Edzhvort F. [10], Fishman R. [11], Heiets V. [12], Liba N. [13], Riaboshlyk V. [15], Chuzhykov V. [16], Polterovych V. [17], Shevchenko O. [18] and others. However, the authors did not come to the final opinion on the management of innovative development on the region and national levels, which makes the study especially relevant.

## Forming the purpose of the article

The aim of the article is to systematize and improve approaches to managing the innovative development on the region and national levels, taking into account their factors, principles and conditions. Presenting main material. Some of these provisions have been covered separately by other scholars, such as in the paper "Crisis of the modern economic paradigm in the formation of the mechanism of innovative development" [1] it was noted, that "a significant obstacle to the use of theoretical knowledge in practice is that the logical premise of all subject sciences is the assumption that the object of study is passive, does not interfere with obtaining knowledge about it. In economics, the situation is different - an object that includes people with their needs and interests, has "its own behavior" and often changes it. "

Thus, the complex problems of modernity in their economic context for their qualitative solution require a new methodological approach, because within the old paradigm, the efforts of scientists do not give the desired result [2, 3].

Currently, there is a deployment of transformational processes in Ukrainian society, which requires a study of strategies, mechanisms and technologies for managing regional and national development. The historically formed administrative and territorial structure of Ukraine is increasingly at odds with the requirements for the socioeconomic development of the country and its regions. The process of transformations in this area has accelerated due to real reformation steps to decentralize power and strengthen local self-government. Now the problem of reforming the administrative-territorial structure in Ukraine is moving from the level of setting and discussion to the practical plane of implementation. A particularly influential impetus for accelerating these changes was provided by the process of creating united territorial communities in Ukraine, which put the task of redistribution of competencies, rights and responsibilities between different national structures at the regional level.

Regions of Ukraine are complex economic systems. On the one hand, the regions are integral entities as spatial geographical and administrative territories, have their own body of state power and self-government (local councils, united territorial communities), endowed with their own and intergovernmental finances, regional authorities develop a general strategy for economic development, are responsible to the state for social protection of the population in its territory, involve all economic and other facilities in the development of infrastructure, control the environmental condition of their territories with all the independence of business on their territory. And in this sense, we consider the region as a holistic relatively independent economic system with its own governance mechanism. On the other hand, according to the concept of economic liberalization and market laws, economic entities in the region are free to choose the profile of their activities, set price targets, organize corporate and all other relations outside the region. They can directly resolve their issues with the authorities on the national level and in the system of relations with foreign objects of economic activity. This aspect of economic and managerial relations of economic independence of subjects is already under the weakened influence of the regional administration and often without such influence [4-6].

However, this should not be seen as a sharp contradiction, because the region as an administratively organized system affects all its elements constantly: administrative services, land distribution, collection of payments and taxes, budget allocation etc.

The integrity and independence complicates the mechanism of regional policy and requires the search for more effective methods of influencing both the general situation in the region and individual entities. Based on this characteristic of the region as an economic entity and as an object of self-development (and the state gives regions more and more rights and opportunities for self developing), both theoretical and institutional framework for managing the region development need clarification and additions, which is the direct task of economic research. Thus, this thesis is based by the strengthening of the role of the such paradigm in the economy, as an "innovative way of development" [7-9].

And since "innovation" today manifests itself as an acceleration in the process of updating the research and production base and is becoming a global trend of economic change, the methodological support of the innovation process deserves in-depth attention. The evolution of methodological knowledge in economics and management has gone its way in a significant historical period and is reflected in past scientific schools [10-11] and in the works of famous scientists of our period [12-13]. Widely known and generalizing works of historians of science on this issue.

The evolution of scientific knowledge has divided this area into theoretical and practical knowledge. The first component has won basic positions in the cognitive process, the second - basic positions in the process of transformation and change. And the differentiation and integration of scientific knowledge occurs simultaneously in each period of historical development, only social requirements and priorities more highlight one of these processes. Nowadays, both scientists and society prefer the process of integration of knowledge. Therefore, the theory and methodology are now evaluated not by themselves, but more from the standpoint of their practical usefulness.

According to this assessment, the following conclusion is made: "Today the system of basic theories is not able to explain real processes, so the task of revising the theoretical and methodological principles." [14]. Another author of theoretical and methodological studies of the current state of the economic sciences argues that despite the presence of many economic schools, they all lag behind the needs of time, because now more important developments for the future than analysis of the past. "Without underestimating the huge role of major economic trends in the development of development theory, it is impossible not to note a certain limitation. We can speak of

them rather as theories that explain the phenomenon of "post factum", while in the conditions of objective intensity of development as never before in the development of an effective development strategy requires an advanced theory. Various economic schools of "main" economic theories have practically not developed a comprehensive mechanism for "predicting" development (the exception, apparently, is only the theory of rational expectations) "[15].

Significant hopes for methodological and scientific and practical support for the development of economic systems (states, regions, corporations, etc.) are placed on the system of economic knowledge, which has now become a paradigm. It is based on institutional theory. Although, in our opinion, it is a representative of an expanded set of scientific disciplines (law, sociology, organization, management), it is traditionally attributed to the field of economics, as evidenced by the use of the term "institutional economic theory" [16]. The institutional approach to the problems of economic development arose in the historical process, which required the integration of scientific knowledge and their concentration in the strategy of managing the development of economic systems.

"Institutional and sociological school emerged in the early 20th century based on the interaction of several disciplines - institutionalism, social economy, praxeology. The formation of institutionalism is associated with the names of prominent American economists and sociologists T. Veblen, W. Mitchell, J. Commons, A. Bert, and others. Its name reflects the terms "institution", meaning customs, orders that have developed in society under the influence of various psychological, social, technical and technological reasons and enshrined in law or institution. Expanding the subject of economic theory, turning it into an interdisciplinary science, institutional scientists have studied the influence of economic and non-economic factors on the development of social and industrial systems" [17].

The basic term of the institutional school of knowledge is defined as "institute". Institutions are key elements of any economic system. According to Thorstein Veblen, these are "stereotypes of thinking", or a set of "stable habits of thinking inherent in a large community of people." In other words, institutions are the rules of the game, and organizations, enterprises, firms and other business structures are the subjects of the game, which operate within the existing rules, as well as adjust and change them [17].

Institutional economic theory has expanded the scope of the use of related knowledge in economic research. Institutionalism is based on an attempt at non-economic interpretation of the essence and driving forces of social development, which considers the formation of various social structures of society as a complex of associations ("institutions") that actively influence economic processes.

There is a deepening of neo-institutional economic theory and its application in the practical plane of management. Along with economic laws, the sphere of scientific research included "institutions" in their comprehensive consideration of this term - as the rules of the game and the rules of relations. History, sociology, psychology, political science and other social sciences used to deal with these problems, but today they have formed an institutional economy. Understanding the basics of economic dynamics and economic history and provides a basis for improving the quality of strategic planning.

An updated economic theory is making its way to recognition, it takes a long time to form. With institutional theory, this path and time has been incomparably reduced to several decades, when it realized its claims to paradigmatic significance since the 80's, finally, in 2002, this theory of filing governments of industrialized countries and international financial institutions formed the basis of a new world doctrines of globalization and social progress [18].

Today, the theory of institutionalism penetrates into various areas of economics, organization, management, changing the thinking of professionals and management programs. However, the main achievement of the theory of institutionalism is to justify the priorities of development and rethink the role of the state in the modern world. The economic policy of the state in the transition period, the period of transformation, should be aimed at solving: two fundamental tasks: first, it is the creation of economic and legal conditions, institutional framework, market relations; secondly, it is the development of the business environment, social partnership as an institution of market relations.

### Conclusions

Therefore, if the government now operates in the conditions of market development and market relations, it must change the methods of its activities. Comparative analysis of market and state macro-regulators allows us to make the conclusion that it is best not to change one regulator to another, and move to a mixed type of management, which should be organically combined advantages of two existing economic mechanisms. At the same time, the government with its administrative apparatus performs various functions, transforming norms and practices.

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