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AUTHORITY, BUSINESS AND CIVIL SOCIETY IN REGIONAL POLICY: COMPETITION OR COOPERATION?

Regional development is influenced by some factors appeared recently. New institutions for regional policy are among them, in particular, civil society, competition in administration, new forms of cooperation between the state and business. Above institutions impact socio-economic situation in regions. Civil society acts as arbitrator for decisions made by official authority, besides, civil society as a group of non-governmental organizations (including a lot of non-profitable organizations in political spheres) can accompany subjects for decision making. At the regional level it means the mutual intergrowth of official regional administration and the sphere where organizations of civil society can perform better than other organizations.

Activity of civil society is crystallized in competition between both central and local authority, on one hand, and civil society, on the other hand, which results in better choices for regions or communities. It could be seen, for example, in local taxation, working out the city-planning documents, some project for environment saving. Similarly, the growing role of cooperation and coordination between the state and business is observed at the regional level. For instance, some peculiarities of doing business are eyed in the sphere of governmental administration (switch to indirect and indicative methods of regulation instead of direct levers, more openness and transparency in decision making, electivity of positions in authorities). Contrariwise, some features of official administrative approach are marked in business, especially, in big corporations (hard subordination and hierarchy of administration). It means that regional reality gradually becomes more flexible and able to accept new trends which can only improve management of regions and communities.

These changes of institutional organization of regional management will stream up in improvement of some economic development indices (regional investments inflow, gross regional product) and also, these changes rise the quality of coordination between subjects of regional policy – for example, it will be more simple to make contracts, arrange deals and enter a sector market, as well as general attractiveness of business climate will be improved. Above mentioned new styles of civil society realization, competitive administration, cooperation and mutual linking of business and the state have huge inestimable impact on social situation. It appears in rising of

everyone's feeling about personal involvement in the process of local administration and influence on the daily life. Also, these changes can maintain the higher level of social security through use of different ways and possibilities to finance social sphere. Thereby, the wellbeing could be improved as well as the dynamics of regions' and communities' development could be intensifying.