

## **SOCIAL RESPONSIBILITY OF AUTHORITIES AND LOCAL SELF-GOVERNMENT IN SUPPORT OF INTEGRATED DEVELOPMENT OF TERRITORIES**

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**Introduction.** The movement of Ukraine to European integration, the process of globalization of the world economy requires new patterns and changes in levels of responsibility for local development. It is in the context of modern processes of decentralization and self-government reform that the authorities and local self-government are responsible for planning the development of territories, for economic growth, for social stability and for improving the well-being of the population.

Over the past 50 years developed countries have undergone significant changes in the practice of local development planning, and these changes relate to three areas.

1. Levels of responsibility of the authorities for the implementation of territorial development planning have changed. Territorial communities have taken virtually all responsibility for themselves for the local situation, for the quality of work, study, recreation and community life.

2. The methodology of implementation of the local development management process has changed. All community activities are subject to a strategy that is created and implemented by the community and is implemented through a permanent planned project activity, subordinated strategy.

3. There was a change in the subject of management. Through partnership and inter-municipal cooperation, the cities began to expand their own influence in the region on their own by creating local competitive advantage factors, creating joint projects for increasing competitiveness (transport corridors, industrial parks, public private partnerships, clusters, etc.) [1].

In such circumstances, local authorities need to have a deep understanding of the peculiarities of the dynamics of local economic development, possess the necessary knowledge, information, skills and experience, in order to ensure the greater competitiveness of their communities in a complex world of new realities. They can not wait for solutions from the authorities, but they must independently solve their local development issues - creating new jobs, increasing employment, attracting investment, raising local budget revenues, improving the quality of life, improving amenities and infrastructure, etc. Therefore, understanding the role and the functions of the government as well as the local government in developing and implementing territorial development strategies, including integrated development strategies, should be perceived not only as a business related matter, but, also, as a social responsibility to the local community and a wider society.

**An overview of the latest sources of research and publications.** The reform of decentralization and strengthening the role of government and local self-government in the development of territories, the approaches to planning and development of territories, social responsibility as an aspect that is inseparable from modern socio-economic development, is widely considered by foreign and domestic scientists. The questions of modern approaches to the development of territories are highlighted in the writings by such scholars as E.J. Blakeley [1], J. McGranahan [3], Henderson [2], Vardy J. [4], Vasylychenko H. [5],

Berdanova O. [15], Karyo O. [6], Minialenko I. [7] and many others; Various aspects of social responsibility are devoted to the scientific research by Hryshnova O. [13], Kolot A., Novikova O., Libanova E., Melnyk L. [9], Bondarenko V. [14] et al. However, the application of the European approach to integrated development of territories, which has begun to be actively implemented in Ukraine in recent years, changes in the role and functions of government and local self-government in the planning and development of territories, require the development of new guidelines in their work, first of all through the implementation of the concept of social responsibility.

**Setting objectives.** The purpose of the article is to study the essence of the approach to integrated development of territories, to determine the role and functions of the authorities and local self-government in ensuring the development and implementation of inter-city development strategy from the standpoint of social responsibility.

**Presentation of the main research material.** Development is the key concept of the existence of civilization. In general definition, development is the process of permanent transformations and changes in the existing state of the subject in a better state with higher parameters of qualitative characteristics that arise as accumulated result of the growth of the corresponding quantitative indicators [2]. The above definition is fully adequate for understanding the development of the territories. But, speaking of the development of territories, scientists use different approaches to its interpretation, as well as various factors influencing territorial development. For a long time in Ukraine the development of territories was associated with the notion of regional development (the development of regions or separate regions), which is explained by the long history of a high level of central government and the limited capacity of territorial communities and local authorities to influence their development [6]. More modern approaches to the development of territories are based on the concept of spatial development, which is understood as the form of coordination of the dynamic process of quantitative and qualitative changes of the components of the region, taking into account all interconnections, resulting in development a new, qualitative state in the form of a certain ratio of elements of the system, which provides obtaining synergistic effect [7]; local development, as pointed out by Vasylchenko H.V., has a direct relation to local economic development, and the complexity and many-sidedness of this concept explains the presence and variety of definitions [5]; sustainable development of territories, which is regarded by most scientists as a development that meets the needs of the present, but does not jeopardize the ability of future generations to meet their needs [9], the ecological and economic development of territories, which scientists are determined by taking into account the production component, provided that the balance between the potential nature and needs of people of all generations [10]. Recently, an integrated European approach to the development of territories has been increasingly applied in Ukraine, the main approaches and principles of which are enshrined in the Leipzig Charter "The Cities of Europe on the Way to Sustainable Development" [11] and the Guiding Principles of Sustainable Spatial Development of the European Continent [12]. According to these documents, integrated territorial development is a process that coordinates the spatial, sectoral and temporal aspects of key areas of development of territories [11]. It emphasizes the need to involve not only business entities in the process, which primarily ensures the economic development of the territories, but also the authorities and local self-government, the general public and other interested parties. Today's requirements consider the process of integrated development of territories not only as a task which is set before formal performers, but as a social responsibility of all interested parties.

To be socially responsible means not only to justify the expectations of society, but also to invest in human resources, environmental protection and relations with stuckholders. As a form of regulation of social behavior, social responsibility means a conscientious, responsible attitude of a person, official, government or local self-government, enterprise or organization to his activities [13, 14].

Integrated territorial development begins with the development of a strategic development plan or concept, precedes the planning of integrated development of the state territory diagnostics, which includes basic, sociological and strategic analysis.

Basic (objective) analysis of statistical indicators of the state of development of territories consists in the preparation of the profile (passport) territory and is a basic analysis of the situation, which covers all important aspects of life and development of the area. A properly made and adequately used situation

analysis allows better understanding of the real state and trends in the economic, social and environmental spheres of the territory. It creates the basis for timely detection of desirable and undesirable changes in the development of the area, for making well-grounded decisions. The research and baseline assessment of community development status should be based on certain statistical information for a specific period of time (as a rule, the retrospective period, according to the recommendations of European experts, should be at least 5 years preceding the current period [15]). This statistical information should be presented by interconnected indicators, an estimation of their dynamics and ratios of these indicators, as well as conclusions, which will be the basis of the passport of the territory.

The social responsibility of the authorities and local self-government in this case consists of:

- providing specialists, who carry out such analysis, statistical or other necessary information on the state and dynamics of changes in the objects of territorial development (objects of industry, transport and transport infrastructure, objects of social infrastructure, communal services, housing stock, environment, etc.) timely and in full;

- active participation of relevant representatives of local and regional authorities in discussing the results of the analysis, a further strategic analysis that involves SWOT analysis, PESTLE analysis or A-B-C analysis;

- use of the results of the analysis conducted to improve the work of the relevant units of the authorities and local self-government, eliminating gaps and shortcomings in the organization of their work. Thus, carrying out the basic analysis and development of a passport in the city of Poltava [16], which was carried out within the framework of the project for the development of the Concept of Integrated Development of Cities in Ukraine with the participation of the German International Cooperation Society (GIZ), found that among the list of functions defined in the Regulations on the management of economic issues, there are no functions directly related to the development and implementation of strategic documents regarding the development of the city (strategies, strategic plans and projects), which is a significant disadvantage negative impact on the strategic planning process in the city as a whole [17]. It is the elimination of this disadvantage and the review of the main functions of the mentioned management is the social responsibility of the authorities and local self-government.

Further stages of the integrated development of territories are the definition of priority directions (fields) of development, the formulation of visions (vision) of perspective development of the area, the development of direct projects of development of the territory and the main document - the Concept (Strategy) of integrated development.

At the stages of ensuring the integrated development of territories, the social responsibility of the authorities and local self-government is:

- actively participate in the discussion of the Concept (Strategy) of integrated development as an interested party, providing proposals for improvement and improvement of program documents;

- development of proposals for local integrated development projects, priorities and stages of their implementation, sources of funding, forms of cooperation, etc. ;

- approval of the Concept (Strategy) of the integrated development of the territory;

- use of the Integrated Development Concept (Strategy) as a program document for the gradual realization and achievement of the goals of integrated development, including the change of representatives of the government and local self-government, taking into account the long term of the implementation of the tasks of integrated development - for example, the Conception of the development of Poltava provides for its term realization by 2030 [18].

At the stage of implementation of the Concept (Strategy) of integrated development assistance in its actual reproduction is not only the tasks of the authorities and local self-government, but also their social responsibility to the community and society.

At the same time, the authorities and local self-government should:

- create an information resource (database) of perspective (potential) objects of development of territories with the provision of open access to the placed data (free or unused land plots, abandoned industrial or social infrastructure objects, brownfields, information on the availability and state of communications, etc.);

- ensure: access to real estate objects (land, premises) for business, business support structures, road maintenance, infrastructure development (gas, water, sewage, electricity), law enforcement, licensing and building permits work and business, garbage collection and removal, housing construction, public transport development;
- establish professional cooperation between subdivisions of bodies of power and local self-government, state institutions: city council (city mayor, its deputies, deputies and standing commissions), departments of industry, investments, business support and development, police department, district and regional authorities, employment center, trade and industrial chamber, tax authority, business registration body, fire department, sanitary-epidemiological station and other relevant institutions;
- provide private enterprises with facilities for business, provided with infrastructure at a low price;
- facilitate business development, including the creation of business incubators, to help start-up entrepreneurs and newly-created firms provide legal and advisory support;
- support the development of local business by giving preference to local enterprises in public procurement;
- develop a strategy for active marketing and search for investors – that is, identify industry sectors, develop marketing materials, take part in industrial fairs abroad, directly address potential investors;
- have a professional manager for economic development and a department responsible for business relations, assistance to external investors, preparation of projects for economic development, provision of financing, implementation of strategic plans, etc .;
- use financial instruments to support business growth (loan guarantees, subsidized loans, direct grants for job creation);
- participate in the training of skilled labor force - to assist in organizing training programs for topical specialties and retraining, to encourage people to acquire technical education, to support secondary, secondary and higher education, to create a single platform for interaction between government, business and education;
- search for new markets, new strategic partners for enterprise development;
- control and ensure the rational use of natural resources, environmental protection, environmental and safety of production.

**Conclusions.** Thus, the role of government and local self-government in securing inter-territorial development is a key and determining factor. The perception of fulfilling its functions as social responsibility will allow to effectively plan and implement the development plans of the territories, compete for investments and better jobs; use the local resource of the territory to create competitive advantages; to provide motivation and the ability of "key players" to use competitive advantages and to cooperate effectively; create and maintain institutions that promote the use of intellectual potential, ongoing modernization and innovation in the region; to ensure the willingness and ability of key institutions to adapt to the challenges of the global economy.

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**Дубішев Віктор Петрович**, доктор економічних наук, професор. **Григор'єва Олесь Володимирівна**, кандидат економічних наук, доцент. Полтавський національний технічний університет імені Юрія Кондратюка. **Макаренко Ірина Олегівна**, кандидат наук з державного управління. Чернігівський інститут МАУП імені Героїв Крут. **Соціальна відповідальність органів влади та місцевого самоврядування у забезпеченні інтегрованого розвитку територій**. Розглянуто сучасні підходи до розвитку територій і зазначено, що в Україні дедалі більше застосовується інтегрований європейський підхід до розвитку територій. Окреслена сутність інтегрованого розвитку, етапи розроблення Концепції (Стратегії) інтегрованого розвитку, підкреслено, що розуміння ролі та функцій органів влади й місцевого самоврядування у розробленні та реалізації інтегрованого розвитку територій повинно сприйматися не лише як поточне завдання управління, а й як соціальна відповідальність перед громадою та суспільством. Визначено ключові аспекти соціально відповідальної поведінки органів влади й місцевого самоврядування у забезпеченні інтегрованого розвитку територій. Зазначено, що сприйняття виконання своїх функцій як соціальної відповідальності дозволить ефективно планувати та реалізовувати плани розвитку територій, конкурувати за інвестиції й кращі робочі місця; використовувати місцевий ресурс території для створення конкурентних переваг регіону, забезпечувати мотивацію та спроможність «ключових учасників» використовувати конкурентні переваги й ефективно співпрацювати; створювати та підтримувати інституції, що сприяють використанню інтелектуального потенціалу, постійній модернізації й інноваціям у регіоні; забезпечувати бажання та спроможність ключових установ пристосовуватися до викликів глобальної економіки.

**Ключові слова:** органи влади та місцевого самоврядування, інтегрований розвиток територій, соціальна відповідальність.

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**Dubishchev Victor**, D.Sc. (Economics), Professor. **Hryhorieva Olesia**, PhD (Economics), Associate Professor. Poltava National Technical Yuri Kondratyuk University. **Makarenko Iryna**, PhD (Public Administration). Chernihiv Regional Heroiv Krut Institute. **Social Responsibility of Authorities and Local Self-Government in Support of Integrated Development of Territories.** The contemporary approaches to the development of territories are considered in the article. It is noted that the integrated European approach to the development of territories is increasingly being applied in Ukraine. The essence of integrated development, the stages of development of the Integrated Development Strategy (Concept Strategy), emphasized that understanding of the role and functions of government and local self-government in the development and implementation of integrated development of territories should be perceived not only as the current management task, but also as social responsibility to the community and society. The key aspects of socially responsible behavior of authorities and local self-government in ensuring integrated development of territories are determined. It is noted that the perception of the fulfillment of its functions as social responsibility will allow to effectively plan and implement the development plans of the territories, compete for investments and the best jobs; use the local resource of the territory to create competitive advantages of the region, provide motivation and the ability of "key players" to use competitive advantages and to cooperate effectively; create and maintain institutions that promote the use of intellectual potential, ongoing modernization and innovation in the region; to ensure the willingness and ability of key institutions to adapt to the challenges of the global economy.

**Key words:** authorities and local self-government, integrated development of territory, social responsibility.

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**Дубищев Виктор Петрович**, доктор экономических наук, профессор. **Григорьева Олеся Владимировна**, кандидат экономических наук, доцент. Полтавский национальный технический университет имени Юрия Кондратюка. **Макаренко Ирина Олеговна**, кандидат наук государственного управления. Черниговский институт МАУП имени Героев Круг. **Социальная ответственность органов власти и местного самоуправления в обеспечении интегрированного развития территорий.** Рассмотрены современные подходы к развитию территорий, и указано, что в Украине все больше применяется интегрированный европейский подход к развитию территорий. Определена сущность интегрированного развития, этапы разработки Концепции (Стратегии) интегрированного развития, подчеркнуто, что понимание роли и функций органов власти и местного самоуправления в разработке и реализации интегрированного развития территорий должно восприниматься не только как текущие задачи управления, но и как социальная ответственность перед обществом. Определены ключевые аспекты социально ответственного поведения органов власти и местного самоуправления в обеспечении интегрированного развития территорий. Отмечено, что восприятие выполнения своих функций как социальной ответственности позволит эффективно планировать и реализовывать планы развития территорий, конкурировать за инвестиции и лучшие рабочие места; использовать местный ресурс территории для создания конкурентных преимуществ региона, обеспечивать мотивацию и способность «ключевых участников» использовать конкурентные преимущества и эффективно сотрудничать; создавать и поддерживать институты, способствующие использованию интеллектуального потенциала, постоянной модернизации и инновациям в регионе; обеспечивать желание и способность ключевых учреждений приспособливаться к вызовам глобальной экономики.

**Ключевые слова:** органы власти и местного самоуправления, интегрированное развитие территории, социальная ответственность.