SOCIOECONOMIC SECURITY OF A REGION AS AN OBJECT IN ECONOMIC SECURITY STUDIES AT THE MESOLEVEL

Anna Kozachenko¹, Victoriya Bukolova²
Poltava National Technical Yuri Kondratyuk University, Ukraine

Abstract. The purpose of this paper is to determine the key object in economic security studies at the mesolevel of regional socioeconomic security, as well as explain its genesis, contents, causes for emergence, and topicality. Methodology. Research on the socioeconomic security of a region is carried out within the ontological frameworks of post-non-classical science, one of the key features of which is strongly collective nature of scientific and ontological activities, consensual nature of scientific knowledge and also methodological pluralism. The latter predetermines active use of immanent and contextual approaches. Their parallel use has enabled determining the internal essence of the notion “socioeconomic security of a region” from the standpoint of one of the key approaches to economic security studies – activity-based one. The results of the carried out research have revealed that the category “socioeconomic security of a region” cannot be considered as a merger of two definitions – “social security of a region” and “economic security of a region”. The connection between these two definitions is of much more complex nature: socioeconomic security of a region emerges on the edge between economic security of a region as a quasi-corporation and social security of a region as an institute of interests’ protection and demands’ satisfaction for region’s population. It is offered to consider socioeconomic security of a region as a combination of economic and social conditions, which is providing certain social guarantees for state responsibilities and for a certain level of comfort inside a region on the basis of regional authorities’ support, within their level and volume of competences, for economic activities of regional business agents, making sure at the same time that production activity of these agents does not cause damages to the regional environment. Economic security forms the basis for the category “socioeconomic security of a region”, while social security is its additional upper structure. Practical implications. Contents of the category “socioeconomic security of a region” serves as the starting point for the development of principles and means for its provision and evaluation, system building and objectification of regional economic security, all processes and mechanisms within security-providing activities of regional management, their actions taken on prevention of insecure development of events and situations, which are destroying the whole socioeconomic system of a region, thus hindering its adequate functioning. The results of studying the genesis and the contents of the notion “socioeconomic security of a region” serve as the explanatory basis for economic security studies at the mesolevel, the key features of which are consensual nature of scientific knowledge, collective ways of the research activities, as well as their contextuality. Value/originality. Prior to this study, economic security studies have never considered the socioeconomic security of a region as the crossroads of economic security of a region as a quasi-corporation and social security of a region as an institute protecting interests and satisfying demands of the population within a region. The offered here approach to socioeconomic security of a region sets brand new vectors in economic security research on its mesolevel.

Key words: region, economic security studies, mesolevel, socioeconomic security of region, contents, definition, approach.

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1. Introduction

A region is a multidisciplinary notion and a research object for a range of sciences, including: physical and political geography, history, biology, sociology, political science, and economics. Each of these sciences studies region in its particular aspect. A region is also a research object for one of the newest knowledge systems – economic security studies.

Economic security studies are built on the principles of hierarchy, the latter is built around the core – the
Economic security as a subject matter became especially relevant and topical in the first half of the previous century, when economic threats started getting truly systemic and global nature, and many negative features of the market economy – uncontrollable and unregulated market relations, inequality of governmental policies and actions in relation to economic agents, violations of market freedoms – became especially acute. Contemporary institutionalism has contributed greatly to the expansion of views on the economic security of the state and market agents. Causes of market agents’ behaviour became much clearer, as well as state actions concerning regulation of business activities (including paternalism, inter alia). Also, clearer became potential threats stemming from the behaviour of both these sides.

In Ukraine research on economic security issues started in the 1990s, in parallel to radical changes in the economic and administrative systems, both transitioning to functioning on the basis of the market economy. The first research objects in such studies were the state itself and also separate enterprises, later – also regions. Today economic security at all possible economic levels is thoroughly studied not only in Ukraine, but in all post-Soviet countries and also post-socialistic countries of Eastern and Central Europe, including Poland, Bulgaria, Slovak Republic, Czech Republic (see, e.g., Korzeniowski, 2007, 2008; Šimák, 2001; Mikolaj, J., Hofreiter, Mach, Mihók & Selinger 2004; Piocha, 2004; Tomaszewski, 2003).

Economic security studies nowadays are developing actively as never before. As a result, new objects are now in the focus of studies, for example, today especially relevant is the economic security of separate regions and also specific commodity markets (see, e.g., Tavares, 2009; Crocker & Hampson, 2011; Chappell, Mawdsley & Petrov; Miller, 2016 and others). In our observations, the most understood object in economic security studies is socioeconomic security. It would be most feasible to study it at the mesolevel of economic security, though, of course, it can be also studied at both macro- and microlevels.

Identification of new research object for economic security studies – as the socioeconomic security of a region – is the result of research on peculiarities of a region as a socioeconomic system and its regional management. One of the key features here is the presence of two objects for regional management: not only economic activities of various subjects within a region but also the satisfaction of social needs of the local population.

Therefore, socio-economic security of a region is a relatively new object for economic security studies at their mesolevel. Thus, it requires thorough description and study, explanation of its contents, origins of this object emergence as such and its topicality for the contemporary stage of market economy development.

2. Research methodology

In any scientific system of knowledge, studies on a particular research object start with determination and description of its key features, using terminology and definitions of the categorial toolkit of this scientific system and results of the research over the behaviour of this object. Sorting these features and their detalization provide us with a certain imagination of this research object, explaining its nature of origin, contents, and peculiarities.

Description of a research object with the use of categorial toolkit of a particular scientific system forms the explanatory basis, which later will serve as the ground layer for its theoretical and methodological basis. In this regard, economic security studies at the mesolevel are no exception.

Methodological fundamentals of economic security studies are also formed by its categorial toolkit, all related notions, categories, and definitions, thus promoting unity in the understanding of key grounds. At the contemporary stage of economic security studies’ development, there already is available a certain system of norms and standards concerning the scientific research of economic security at the level of various objects – the state, region, and enterprises.

Study on the socioeconomic security of a region here has been performed under the frameworks of post-non-classical ontology, the key features of which are: collective nature of research activities, consensual scientific knowledge obtained and also methodological pluralism. The latter, in its turn, preconditions the active use of both immanent and contextual approaches within this research. Parallel use of these two approaches has allowed determining the internal essence of the notion “socioeconomic security of a region” from the standpoint of one of the most widely spread approaches in economic security studies – activity-based approach.

3. Results

3.1. Preconditions for the determination of the key research object in economic security studies at the mesolevel

In economic security studies, all notions by default stem from the generic term “security”. Due to its connection with all security objects and all types of security there emerge various, more complex subnotions.
of security (see, for example, Figure 1.1 in (Illiashenko, 2016, p. 14): economic security of a region, food security of the whole country, information security of an enterprise, and so on.

Determining socioeconomic security of a region as the key research object in economic security studies at their mesolevel is mostly predetermined by features of the region as a complex socio-economic phenomenon. Thus, refusal to consider economic and social securities separately in the case of the region should be supported by the following provisions.

The economy is the basis of any region in any country. It is the economy that guarantees and supports region’s development; therefore, it indirectly guarantees and supports the economic development of the whole country. According to the popular today approach, the region as an economic system can be viewed as a quasi-corporation, that is, a formation which is concentrating the productive forces in itself in order to set the relations between economic agents and trigger economic activities of various types.

The understanding region as an economic system of quasi-corporate type is more than simply well-grounded. This quasi-corporation performs its economic activity within the institutional environment common for the whole country, and this environment is established by the state and can be changed by the same state.

Any region has the very limited capacity to change this institutional environment or even one of its element (even improvement or more detailed specification of institutional rules is hardly ever possible by the initiative of a region). Same applies to the formation of one institutional environment, within one region only. Region simply does not have enough legal authority for such radical changes in a system. Regional authorities are obliged to follow the orders of formal institutions as it is approved in the state overall, and they have to follow institutional provisions imposed by the state in any decision a region is making.

Property of various economic subjects located on the territory of a certain region is usually predominantly private or collective, that is, non-state. Therefore, regional authorities may have a very limited influence on the decisions made by local enterprises’ owners concerning the use of their property and namely, production means. In case of Ukraine and all other post-Soviet countries, this means that territorial production complexes which used to exist during the Soviet era (and belonging to the state) are simply absent in contemporary regions. Therefore, regional management has to use new, non-traditional (at least for them) methods since all previously known and so familiar methods are not working under the conditions of market economy.

Another limiting factor in terms of region’s authorities and capacities when it comes to the economy is the legal order of local budgets’ formation. In Ukraine, future volumes of local budgets are always hard to forecast in advance, even for a relatively short term. Another problem of local budgets is their insufficient volume and instability of inflows. The logical consequence of these problems is that it is hard for regions to guarantee social programs’ availability and performance. According to L. Tulush (Tulush 2015), this state of affairs means there will be significant risks on the side of local budgets’ incomes. Therefore, there will be also risks related to financing region’s own performance and its socioeconomic development. Capacities of regional authorities in part of their influence on region’s economy should not be limited to filling up the local budget and its further use. According to the sectoral competence (this is a legally binding sphere of particular state authorities’ or self-governing authorities’ responsibilities) as described in the Law of Ukraine “On Local State Administrations”, competences of local state administrations (LSA) in part of region’s socioeconomic development include the following: managing economic objects in state property transferred for management under LSA, organization of economic objects’ accreditations, certification of products and productions according to their profile, promotion of external economic relations of the local enterprises and organizations, regardless their property form etc.

Outlined above competences of LSAs confirm they indirectly participate in economic security provision at the regional level since they have their own levers of influence on local production forces – thus, on region’s economic security too. Therefore, it would make little sense to consider economic security of a region as “the state of regional economy, under which a certain its territory, seen as a whole in the interrelation of its elements, is economically independent, thus forming the opportunities for sustainable development” (the quote is translated from (Antoshkin, 2014)). Region simply cannot be truly economically independent for a range of already presented reasons. Its economy though can be to some extent self-sufficient when its territory is concentrating in itself a range of economic subjects with various types of economic activities, including those engaged in external economic relations.

It would be more expedient to consider the economic security of a region in the context of regional economy’s self-sufficiency, the latter, according to (Sverdan, 2013) being manifested through stability and sustainability. These features of regional economy are manifested through the following:

- Real protection of property, regardless its type and legal form;
- Trustworthy guarantees and favourable conditions for entrepreneurship;
- Hindering, using tools and competencies available for the regional administration, the influence of factors which could destabilize the economic situation overall (for example, prevention of economic crimes in a region);
Support, within the competences of regional administration, for region's development (for example, creating and maintaining favourable investment climate) (Sverdan, 2013).

These and other provisions allow us stating that economic security of a region has a very different status today – it becomes one of the key preconditions for the regional economy’s development. This precondition is formed on the basis of system interaction between a region on one side and economic subjects from its internal and external environment on the other. This interaction is supposed to take into account interests of a region itself, of the state, of all related economic agents so that to balance the key structural elements within production relations. Only once this system of interaction is balanced enough, we can assume the economic security of a region. If we consider the provision of economic security within the protective approach – this means timely detection, observation, and taking actions so that to prevent the development of various threats, excluding them at best scenario or at least smoothing the consequences from these threats’ realization.

Economic development of a region, which becomes possible under region’s economic security provision, is not the self-target, actually. It is supposed to be aimed at increasing the welfare level for the local population, at the creation of most comfortable conditions for living, and all the related to this factors in combination form the social security of a region. However, we need to keep in mind here that economic security of a region is not always followed by the social security of a region.

3.2. Social security of a region

If we consider the region as a separate self-sufficient and single entity within a state than its key feature would be the satisfaction of social demands from the population (food supply, providing places for living, education, healthcare, transport, the satisfaction of cultural demands, environment’s protection etc.). And this, to a greater extent, would be the logical consequence and the result from economic activities of all economic subjects operating within the same region.

Thus, economic subjects’ activity in a region is the vitally necessary prerequisite for the satisfaction of social demands in the same region; however, this economic activity as such does not automatically lead to these demands’ satisfaction. This is because region itself is not only the system of productive forces; it is also a socio-ethnical, socio-economic, and socio-political system. And if within a region as socio-economic system relations between various groups of people are established for and during their economic activities, concerning first of all distribution and consumption of resources – then the relations within a region as a socio-ethnical and socio-political system have a very different nature. For this reason, the social aspect of economic security provision within a region should never be ignored.

Social security (of a state or of a region) is an extremely wide and multi-aspect notion, which has been considered in literature, both Ukrainian and foreign, in very different contexts (see, for example, Altman & Kingson, 2015; Landis, 2016; Gokhale, 2010; Sindell, 2012; Matthews, 2017).

Analysis of many definitions for “social security” presented in Ukrainian scientific narrative (see (Zichenko)) shows that the already available definitions and interpretations emphasize mostly on the protection of interests (individual, those of certain social groups, society as a whole etc.). However, there are also more popular and also wider definitions of the notion “social security of a region”, for example, the one provided in (Antoshkin, 2014): the state of legal protection for rights and freedoms for a person according to the Constitution of Ukraine (Chapter 2), also covering vitally important social interests of a person and financial provision for the officially predetermined social standards and guarantees, which are supposed to help maintain sustainable development of the whole society (including prevention of the social pressure escalation etc.).

However, this definition provided by (Antoshkin, 2014) covers specifically “social security” only, while it fully ignores such important aspects as environment, social infrastructure, the comfort of residing in a region, business opportunities etc.

The core element of any region is its population, the people. The region is not merely an economic subject, while the aim of any regional economy is not simply the production of a certain volume of material assets. For the people, residing in a region, the social component of region’s security is no less important than the economic one. This is why if a certain economic subject, operating inside a region, may really have a solely financial nature of all aims and interests – this is not applicable for a region as a whole, since in it, the social component is no less important, and it would be not feasible to limit the notion (and all the related actions) to the economic contents of security only.

Economic security of a region is an important precondition for its social security because the level of region’s economic security predetermines (not fully but to a larger extent) the level of its social security, and this finds its manifestation in personal development of the people residing in this region and in the development of social institutes too. This logic explains why it is not appropriate to interpret economic security alone, and why it is more feasible to study socioeconomic security (of separate individuals, the population within a region and society in a country as a whole) (Yazlyuk, 2014).

Therefore, for the economic security studies at the mesolevel provision of economic and social security of a region has equal importance. Moreover, there is a strong casual relation of a closed type between these two types of region’s security: economic security of
a region forms the basis for its social security, and the latter, in its turn, promotes and contributes to the stronger economic security of the same region. Separate research on economic and social security of the same region will never provide truly valid results and conclusions, mostly because economic development of a region (which is always possible only under the conditions of region’s economic security) is not the aim in itself, it is always targeted at increasing the welfare level for local population in a region and the level of comfortable living, and these two positions form, in their turn, the social security of a region. This is why separate studies on economic and social security would limit any research significantly, providing inconclusive results and revealing only part of the problems related to region’s security.

3.3. Socioeconomic security of a region

As it is already stated above, the category “socioeconomic security of a region” is formed by means of combining two subcategories – “economic security of a region” and “social security of a region”. However, we have to admit that this category is also under discussions as of today, mostly due to the fact that it has no valid legal status: the notion “socioeconomic security” (of the state or of its regions) is not represented in the current legislation of Ukraine, unlike several other types of security, actually. At the same time, we also need to mention that legal recognition of certain terminology and notions, as a rule, follows once all related to this notion processes get the stable character. Moreover, for legal recognition, a vital factor is when certain objects, phenomena and/or processes simply cannot be described without the use of this particular newer notion. It would be not correct to assume that the category “socioeconomic security of a region” is formed by means of simply merging the definitions of “social security of a region” and “economic security of a region”. Relations between these two definitions are of much more complex nature. Socioeconomic security of a region emerges on the edge between economic security of a region as a quasi-corporation (speaking generally, as an economic agent or as a system of resources’ and production forces’ allocation) and social security of a region (again, speaking generally – as a socioeconomic system or an institute protecting the interests of local population and satisfying their demands). Economic security forms the basis for the category “socioeconomic security of a region”, while social security is its upper structure. Accordingly, low economic security of a region predetermines low level of social security too, and on the opposite.

As it is persuasively demonstrated in (Zinchenko), the category “socioeconomic security of a region” shows mutual conditionality, interdependence and complementarity of the relations being formed in the course of the related subjects’ interaction with the aim to provide economic and social security for a region. Two components of socioeconomic security of a region (economic and social ones) do not contradict each other, on the opposite – they support each other and contribute to each other, thus shaping the overall state of socioeconomic security (or insecurity in some cases) of a region. Security of a region, in its turn, is a complex socio-economic phenomenon which is combining economic and social security.

Connections between the economic and social security of the same region can be both direct and inverse, it can be obvious and in some cases also much more complex, as it seems at first glance. Thus, the higher economic activity of various subjects within the same region leads to higher welfare rate for a local population, higher demand for labour force and, most probably, also to higher wages and thus lower emigration rate. On the other hand, more economic activities within a region do not necessarily mean better social infrastructure and lower social disproportions. Moreover, a higher rate of economic activities in a region may lead to significant worsening of the environmental situation in this region or even higher crimes rates in it. In its turn, the absence of threats to the social security of a region and stable social conditions overall are in themselves additional stimuli for investments’ attraction into a region as well as for reinvestment of income, production expansion, more favourable business climate and stability of business operations as such.

On the opposite, a reverse relation between the social and economic security of a region usually causes the emergence of threats to the regional economy, poorer economic results for all related business agents and thus – lower inflows into the regional budget, therefore, its lower spending, higher unemployment rate, lower wages. That is lower welfare level in this region overall. In its turn, lower level of social security in a region decreases its investment attractiveness and also causes capital and human resources’ outflow to other regions or abroad, lower rates of entrepreneurial activity inside the region etc. These processes together become a direct threat to the regional economy and in the process of their development they may turn into economic insecurities.

Contents and essence of the notion “socioeconomic security of a region” have been established according to the results of the descriptive analysis, which also has enabled formulating the following conclusions. Definitions for the notion “socioeconomic security of a region” are not that numerous and differ from each other quite significantly. There is no unity of opinions on the contents of this phenomenon, however, in all definitions, the core idea remains the same. It combines all available approaches to determination of the notion “socioeconomic security of a region”. This core distinctive feature is instability of the internal essence and lack of any emphases on its contents. Consequently, an attention of all related research is concentrated on separate aspects of this notion. And this, in turn, leads
to all these research studies being rather one-sided essentially.

Quite frequently the notion "socioeconomic security of a region" is identified as being exactly the same with the notion "economic security of a region". And the latter, according to (Antoshkin, 2014), is often identified from various angles – as a certain "capacity", as "combination of properties" or as "the degree of development" as applied to the regional economy. It is quite probable that this full identification of quite different notions, according to the same (Antoshkin, 2014), is predetermined by the fact that it is the economy that shapes the welfare of a region, and first of all the economy also shapes the economic independence of a region (though it is quite relative, noteworthy). And this relative economic independence of a region, in its turn, is the key precondition for this region's sustainable development.

The descriptive analysis allows us to state that socioeconomic security of a region can be considered as such its state, which can be described by certain parameters, like preconditions for regional development etc. Within the borders of the contextual approach, the definition of the notion “socioeconomic security of a region” is quite obvious. Generally speaking, each of the definitions for the notion “socioeconomic security of a region” is valid to some extent, since any of them sets and defines certain guidelines in the development, vectors and the character of actions on achieving the state of security, all being appropriate and feasible within the borders of the selected approach.

Besides revealing the essence of socioeconomic security of a region, its definition is supposed to determine the approach, within the borders of which it would be considered. The choice of a certain approach allows specifying and deepening the contents of the notion "socioeconomic security of a region", while the latter, in its turn, determines the nature of actions on the provision of this security.

In contemporary studies on economic security, there are several approaches to the investigation of economic security issues on the levels of state, region, enterprises: protective approach, harmonization approach, resource approach, activity-based approach (for more details see in (Kozachenko & Pogorelov, 2015)). Among these and other approaches, one of the most widely spread is the protective approach. It appeared among the first due to close associations between security on one side and such notions as "threat", "protection" and "protected" on the other. Today this approach is actively used in most of the studies on economic security.

Also useful could be a resource approach to studying the socioeconomic security of a region. However, this approach means that the attention would be mostly concentrated on the resource potential of a region. The very notion "region's potential" is also relatively new because the related investigations in regional research are focused primarily on separate types of potentials (economic, financial, resource, innovation, budget, market etc.). It would not be fully appropriate to determine the contents of the notion "region's potential" using the additive approach (when region's potential is the sum of its types of potentials). The basis for any region's potential is formed by resources, however, considering their use only from the standpoint of their transformation into some sort of end result would mean considering region's potential in one context only (moreover, in many cases region itself is not able to make full use of all its resources and their types).

Results from the analysis of the available definitions of the notion "socioeconomic security of a region" have formed the basis for further outlining of approaches to the contents of the notion "socioeconomic security of a region" (in a similar manner to (Pabat, 2012), but – as applied to economic security studies at the mesolevel:

- Adaptive approach: combining the key essences from the definitions of the notion "economic security of a region" and "social security of a region";
- Activity-based approach: the state of regional economy, which can be described either using qualitative features (resistance to external and internal threats, resulting performance of regional management, balancing of regional interests with the state ones) or using the system of quantitative (sometimes quasi-quantitative) parameters;
- Environmental approach: combination of conditions, factors, and resources which together are shaping the potential of a region, its use becomes the basis for the maintenance of socioeconomic security in a region;
- Protectionist approach: securing the interests of a region is maintained through regulatory actions of the state and making use of regional potential;
- Qualitative approach: the capacity of a region to protect the interests of economic agents inside it and maintain social standards and social guarantees to the local population at a certain level.

After analysing the available definitions of the notion "socioeconomic security of a region" we can formulate its comprehensive contents in the following way: socioeconomic security of a region is a combination of economic and social conditions, which are supposed to provide for welfare guarantees and other responsibilities of the state concerning the level of comfortable living in a region maintained through regional authorities’ policies and actions aimed at supporting the activity of economic subjects within a region and their production activities in particular (under the conditions that the latter do not harm local environment).

Research results on the genesis and contents of the notion "socioeconomic security of a region" set the fundamental principles for the explanatory basis of economic security studies at the mesolevel, the distinctive features of which are consensual nature of scientific knowledge and contextuality of the research performed.
4. Conclusions

Development of economic security studies as the scientific system of knowledge starts with the description of distinctive features of the research object, the arrangement of which provides the opportunities to explain its nature, contents, and key peculiarities. It is expedient to state that the research object of economic security studies at their mesolevel is not the economic security of a region or its social security, but rather socioeconomic security of a region. Well-grounded arguments are provided to prove this assumption valid.

Within the category “socioeconomic security of a region”, a definition “social security of a region” is not simply added to the definition “economic security of a region”. The connection between these two definitions is much more complex: socioeconomic security of a region emerges on the edge between economic security of a region as a quasi-corporation and social security of a region as an institute protecting interests and satisfying the demands of the population in a region. In relation to socioeconomic security of a region, economic security is the basic category, while social security is its upper structure.

The essence of the notion “socioeconomic security of a region” is revealed in the process of descriptive analysis: socioeconomic security of a region is a combination of economic and social preconditions, which together provide for certain social and other state-level guarantees along with its responsibilities for the provision of comfortable living in a region through comprehensive support by regional authorities for all economic agents within their competences of activities, aimed in particular at their production of economic commodities, which is not supposed to harm regional environment.

The contents of the notion “socioeconomic security of a region” may serve as the starting point in the related research on the assessment of socioeconomic security of a region and further use of this assessment results in the security provision activities at the regional level, in particular, during the selection of tools for socioeconomic security provision at the mesolevel.

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