

CROSS-BORDER COOPERATION AND REGIONAL COMPETITIVENESS

Kovalenko S. I., PhD (Economics), Associate Professor
Danube Institute of National University
«Odessa Maritime Academy»
Izmail, Odessa region, Ukraine

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DESIGN OF EUROREGIONAL INNOVATION SYSTEM – «GROWTH POLE» OF PERIPHERAL ECONOMIC AREA

The topicality of the research is determined by the important role of innovative forms of cross-border cooperation in improving competitiveness of peripheral boundary regions, reducing of regional differentiation between cross border and internal regions, on one hand, and immaturity of theoretical and methodological aspects of studying the cross-border cooperation mechanisms, on the other. The reforming of the system controlling the regional development involves the implementation of new quality of the regional strategy the aim of which is both to ensure the modernization of the country's economy and to carry out complex and balanced development of peripheral (boundary) regions. The aim of the article under consideration is to offer theoretical and methodological provisions and practical propositions to justify the improvement tools of project planning of the European regional innovative systems with Ukraine as a participant under the conditions of EU enlargement by means of creating transnational cluster systems – network industrial integration institutions – which have become the poles of economical growth and competitiveness of peripheral economic area. The task is to work out the theoretical provisions and methodological principles of strategic planning to create and develop cross-border cluster systems in different economy sectors taking into consideration their potential role as the systems able to fulfill purposes and to tackle problems with a

focus on solving the task of economy modernization of Ukrainian peripheral regions [1].

The objects of strategic planning are cross-border cluster systems looked upon as territorially located socially economic systems formed by a group of independent economic agents from the both sides of the border, by the organizations of bodies of executive power of the countries-actors of the European region and civil society. They consistently interact with each other by means of information, service, human and funds exchange and provide extra efficiency as compared with other, not systematically organized objects. Cross-border cluster systems can become the centers of regional development: investments promotion, diffusion of innovations, creation of human capital of new quality, standard of business relations, development of adequate institutions geared to address the task of the country's economy modernization. For good reason, to raise the level of innovative economy of a peripheral region it is necessary to integrate educational and scientific infrastructure with power structures and with business environment to increase the layer of development on innovative enterprises. Universities should develop cooperation with the industry, use new approaches in academic research reflecting the needs of regional firms and assisting in strengthening their central role in EU regional innovative system development [2].

Formation of EU regional innovative system considerably transforms the priority of the main siting factors which changes the functions of periphery territory. The latter is transforming from physical basis – the material (resource) production factors siting – into the environment to develop human capital, innovations and providing self-development of EU region. The new postmodern reality includes postindustrial manufacturing together with network building of periphery economic area suggesting the transplantation of the institutions by means of self-organization of hybrid network clusters over the administrative boundaries which become the «growth poles», factors of uniting and free circulation of funds in European regions. On the way towards the entry into the European Union it is necessary to generalize experience of cross-border cooperation as the previous

and complementary phase of integration in regional terms. To form the complete and effective development policy of cross-border cooperation with the active participation of Ukrainian peripheral regions it is necessary to work out theoretical and methodological background of the quasi-integration of economic agents within the boundary of European regions and to justify new forms and mechanisms of its deepening with the benefit of cross-border cluster systems concept. Multiple versions of definitions enables to encircle innovative system definition to following Author's concept, Euroregional innovative system is a complex of institutions which are involved commonly and separately in the process of new knowledge generation or transfer and adapting available relevant knowledge to euroregional economy demands [3]. Institutions-regulations include federal laws and informal rules regulating innovative activities implementation. Institutions-entities include public administration bodies, institutions generating and spreading knowledge, business entities, innovative infrastructure bodies.

Euroregional (cross-border) innovative educational cluster may be defined as researching, innovative, educational organizations geographically concentrated at both sides of state border acting as a driving force of regional innovative specialization by means of active cooperation. Such a cooperation will encourage and improve innovative culture of the entire regional economic system. Furthermore, practical experience shows that a corporation located in proximity to knowledge source encourages the increasing of its innovative [4].

Results of research made by the Author enable to formulate clear well-aimed recommendations regarding ways and means stimulating innovation processes both in the form of direct support aimed towards business entities, and indirect support implemented by means of development of infrastructural elements supporting business development in the euroregion, such as:

1. Concentrated orientation to support innovations in organizational, marketing and financial aspects, emphasizing such stages of innovation processes as products upgrade, obtaining patents

and promotion at market. Development of venture funding tools for innovative activity with accent upon creating and maintaining investment funds, venture structures to increase share of extra-budgetary funding sources.

2. Increasing of informational, scientific and methodological, and consulting support for business entities and associated infrastructure object. Initiation of endogenous processes of euroregional development involving regional universities is only possible being supported by essential innovations beneficiaries, involving innovative enterprises and their regional associations, higher educational establishments and scientific researching bodies capable to act as «growth poles» for innovative activities.

3. Increasing innovative level of peripheral region economy requires integration of educational and scientific infrastructure with administrative bodies and business environment to increase developments level at innovative enterprises. Universities need to develop cooperation with industry, use new tools to strengthen research activities that reflect the needs of regional firms and contribute to their central role in the development of RIS.

Modern post-industrial paradigm of regional development transforms substantially the priority of main factors of allocation altering peripheral territory functionality from physical basis (location of material factors of manufacturing) into spatial environment for human resources development, innovations and autonomous regional development.

Newer postmodern reality lies in combination of postindustrial manufacturing with network-like construction of peripheral economic space, which supposes institutions' transplantation by means of hybrid network clusters' self-generation «over» administrative borders, becoming factors for concentration and free funding circulation within euroregions. Competitiveness of newer style of production is determined by innovation rate and capability to continuous renewal. Current situation demands development and implementation of cross-border strategy of euroregional development taking into account European practical experience in transregional strategy aimed to

achieve steady social and economic development of euroregional system in unity of its human, natural resource and manufacturing potential and institutional environment. Ukraine, making its way to EU should summarize experience of cross-border cooperation as preliminary and supplementing stage of integration in regional scale. Ukraine should develop theoretical and methodological basis for business entities quasi-integration and find newer forms and mechanisms of its implementation in view of network cluster systems concept.

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