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## THE MAIN FEATURES OF SOCIAL AND ECONOMIC DEVELOPMENT OF SUMY REGION

**Kyrychenko T.O.**

Sumy National Agrarian University

Active and effective social and economic development of the state is impossible without not taking into account the peculiarities of the certain region development. The main factors that influence the social and economic development of the region are stated. The analysis of the current state of the regional development is done. The specific features of the regional development are taken into account. The role of the regional government in the fulfillment of the program of social and economic development of the Sumy region is defined. The main ways and strategies towards the development of the region are determined.

**Keywords:** social development, economic aspects, programs implementation, development of agricultural sector, human resources.

**Introduction.** Nowadays, the prosperous social and economic development of the state is hardly ever possible without taking into consideration regional peculiarities. Each region is supplied with different amount of economic and social resources, so it makes an effect on both regional development and at the same time, all the data of the regional social and economic development have a great impact on the development of the state as a whole.

Economic development of the region is the process, which aimed to provide economic well-being of the population by means of effective use of all local resources. Effective development of the region

is the function of many factors that differ depending on the certain region. The improvement of regulatory functions of the state authorities and local government is the main reason for effective use of all the possibilities of regional economic development. Economic development of the region is one of the important components of the economic development of the state. The main task of the development of the region is the use of its particular conditions and abilities to gain the highest integral effect. The regional specialization should be implemented in order to influence and provide effective economic growth of both – the region and the state.

Social development of the region is the quality improvement of data, which characterize the social sphere of population's income, including wages and salaries, the condition of the social fields such as education, health security and cultural development. Social condition and the tendencies of the regional development in this direction should be followed in order to define different processes in the society and diagnose the regional social development itself.

Therefore, the regional social and economic development is worth studying and analyzing as it can show its strong and the weak sides, the drawbacks and success. It will allow to preserve the existing tendencies, to forecast and improve the non-efficient ones.

**Literature review.** The results of studies conducted by the leading scientists of the previous and current century prove that the system of social and economic development is considered to be one of the versatile phenomenon which needs the continuous studying and improvement. The certain strategies of the regional development were studied and developed in the works of O. Makarova, S. Bila, O. Shevchenko, V. Brich. They defined the strategies in the social policy, grounded the compounds of social and economic policy.

O. Makarova offers to make the evaluation of the social component of the regional policy on the basis of the Human Development Index (HDI). In general, the concept of human development concentrated the ideas concerning the fact that the development is the process with the person inside it. The main components of the HDI are health, living standards and education. [#181] The Ukrainian scientists such as O. Vlasiuk, S. Pirizhkov, E. Libanova, O. Hrishnova have contributed into the development and improvement of national methodology of human development evaluation on the regional level [3, c. 182].

S. Bila and O. Shevchenko investigated the dynamic of social and economic development of Ukraine and produced the analysis of the consequences of the crisis period for regions, defined the ways of effectiveness improvement of strategic planning for regional development [5, c. 4].

Relying on the experience, we can state, that there are many factors, which have an influence on the social and economic development. They are particular to certain region and are still in need for further investigation and analysis.

**Methodology.** The objective of the conducted research is to analyze the features of social and economic development of the Sumy region, define the strong and weak sides of it, highlight the problems and offer the ways to cope with them. While conducting the research we used the following methods: statistic observation, summary of statistics data, data selection and data comparative analysis.

**Results and Discussion.** The regional economy is a subdivision of the social and economic complex of the whole country and possess the features which has the last mentioned. We can hardly say that it has the same features, because the regional social and economic development is influenced by some subjective and objective reasons. The geographic position of the region, diversity of natural and economic conditions, existing structure of production, political situation in the region, trans-

port system. The social development of the region is defined by the features, which give the characteristic to the population standards of living, its income and expenses. These are the indicators of cost of living, average income per person, average salary, employment, average level of prices.

Doing the survey and analyzing with the recent data, it is necessary to state that the population of the Sumy region is 1092, 3 M of people on the 1st of March 2018. During January-February 2018 the population had a decrease in 1923 pple. There existed the natural population decrease – 1834 pple. The number of newborns during this period is less in comparison with the same period of the last year and is about 1244 to 99 children correspondingly. The state subvention (subsidy) for the housing and communal services was provided for 290, 4K households; it comprises 65,1% from the whole number of households in Sumy region. Besides, 15,6 K households have got the state subventions (subsidy) that were assigned for liquefied gas and household fuel reimbursement. The average level of the state subventions (subsidy) in March 2018 was 3018, 9 hrn. versus 2937, 5 hrn. in March, 2017. Therefore, analyzing the demographic situation in the region, we can state that there exists a decline in the birth level and population in the region. The decrease of the state subventions (subsidy) amount is connected with the changes and amendments to the Provision as for the regulations of the state subventions (subsidy) provision.

According to the statistics data of regional employment center, the number of unemployed is 6416 pple. At the same time, 2326 pple. got the job that was facilitated by the regional employment center. 15,2K people stayed unemployed by the end of March, though the database comprised 3,3K of vacancies. The average level of employment benefits was 2461 hrn. in March 2018, comparatively 1914 hrn. the same period in 2017.

204,3K people worked at enterprises of the Sumy region in March 2018 and their average salary was 6723 hrn, which is 24% more than the same period in 2017. The increase in the level of the real salary (including the inflation rate and payed taxes) was 9,5% to March, 2017.

There exists an overdue in salary payment. It was 2,4 Mhrn. In March 2018 and increased to 150,9 Mhrn. in April 2018. Public Joint Stock Company "Sumy Frunze Machine-Building Science and Production Association is the debtor and its debt is 68,8% of the total amount of the salary payment debts.

There were some changes concerning pension reform in 2017, so in 2018 the minimum pension has increased to 1373 hrn (for those who are retired in 2018). In 2017 the average amount of monthly pension benefits in Sumy region was 1705,64 hrn. At the same time we should state the decrease in the number of pensioners – 360,4 to 352,4 in 2017 and 2018 correspondingly.

The internal trade turnover that comprises data of enterprise retail trade (legal and physical person – entrepreneurs) was evaluated in 4265,4 Mhrn in January-March, 2018, that is 9,9% more than it was during the same period in 2017. In March 2018 the turnover of the retail trade in relative price increased to 6,9% in comparison with the same period of the previous year. The amount

of the retail trade turnover in January–March was 2525 Mhrn. The inventory turnover ratio (in relevant prices) is 109,35% to January–February, 2017.

The amount of the agricultural produce in January–March 2018 in all types of the enterprises comprised 468,1 Mhrn. The manufacturing of gross output in all types of the plants, agricultural enterprises farms increased to 0.2% in comparison with the same period in 2017. The total amount of the sold produce by the agricultural enterprises has increased to 22.8% in January–March 2018 in comparison to the same period of 2017. The average prices for the agricultural produce have increased in January–March 2018 corresponding to January–March 2017 to 9.2%. Agricultural enterprises and the enterprises that deal with preserving and processing of grain crops stored 722,6 Kt of grain to the 1st of April, 2018. It is 23% less than it was to the 1st of April, 2017. The average price for the grain crop, which was offered by preserving and processing enterprises, comprised 3694 grh per ton in January–March 2018, though it was 3066,3 hrn per ton in January–February 2017.

In March, 2018 and in comparison with the March, 2017 the industrial produce ratios were 110,7% and 114,5% correspondingly. In January–March, 2018 they were 111.9%. In March 2018, the produce index in the extractive industry and quarries development was 107% to March 2017. The regional enterprises reduced the amount of the raw petroleum production, gas condensate and natural gas. The produce ratio in processing industry was 119,3% in March 2018 compared to March 2017; 119,4% in January–March 2018 compared to January–March 2017.

The enterprises of Sumy region carried out construction work. The expenditures were 140 Mhrn in January–March 2018. The building products index was 65% in January–March 2018 to January–March 2017. The buildings of new objects, reconstruction and technical upgrade comprised 61,8% from the total amount of the performed construction work; the overhaul and routine repairs comprised 18.75 and 19,5%.

The goods turnover of the enterprises was 1762,9 Mtkm in January–March, 2018 and it increased to 4,4% in comparison with January–March, 2017. The passenger turnover was 553,7 Mpkm. since January and it is 3,1% more to January–March, 2017.

The amount of exported goods in Sumy region was 133,9 M\$, the amount of the imported goods – 92,7 M\$. Export and import increased by 1,5 times. The export to the countries of the European Union was 52,1 M\$. It was 38,9% from the whole amount of exported goods and it increased by 1,7 times in comparison with the January–February 2017. The biggest supplies in the total amount of export were carried out to Russia – 21,2%, Spain – 13,3%, Egypt – 6,4%, Turkey – 6%, Byelorussia – 5,1%, Italy – 4,3%.

The imported goods from the European Union were 36,9 M\$, or it was 39,8% from the total amount of import, and it increased to 43,4% in comparison to the period of January–February 2017. The biggest import supplies were from Russia – 17,1%, China – 12,0%, Germany – 11,9%, Poland – 8,6%, Italy – 7,5%.

The consumer price index was 103,7% since the beginning of the year and it was 101,3% in March 2018 [4].

Having done the analysis of the statistical data concerning social and economic development of the Sumy region and based on the factors that form the specific features of the region we can state:

- Geographical position defines the export of the region; the country of most part of imported goods is Russia.

- Climatic conditions influence the development of agriculture – especially growing and import of grain and sunflower.

- The region owns rich natural resources – though there is a decline in the extraction of natural gas.

- The region owns well developed structure of produce production and processing in agricultural complex. The agricultural production prevails the industrial one in the region.

- There is an increase in the rate of the average salary, but at the same time, there exists an overdue in the salary.

- The level of population's income has increased to some extent, it is connected with the rise of the minimum salary and some increase in the economic development of the region.

- There is an increase in the pension benefits due to the pension reforms.

**Conclusion.** Giving the analysis of the social and economic development of the Sumy region, we used most of the features that influence the development of the region in general. The successful development of it depends on all of them and they should be regarded to both – forming the current strategies and making the strategic programs for regional development. The final objective for the management of economic and social development of the region is development and implementation of the “Program of Social and Economic Development of the Sumy region” and “Plan for Implementation of the Regional Development Strategy during 2018–2020”. The main tasks of these programs are: to foresee the effective use of natural, resource, production and human potential of the region, the reasonable labor division, the improvement of the living standards. The local government initiates these programs involving state and local capital, implementing regulative function and as a result – gaining the effective and positive feedback in social and economic development of the region.

On the way of the implementation of the above-mentioned programs, the local government of the Sumy region has created the expert groups, which will work in the following directions: “The development of human capital”, “The development of the rural territories”, “The development of the economic potential of the region”. The priorities of the first one will be the following: the support and development of youth business initiatives; the strengthening of the youth social activity by means of authority delegation to the institutes of the civil societies through the mechanism of competitive support; calling for living a healthy lifestyle, improving the system of human resources management; implementing the trans – regional communication as a mean of regions cooperation and tasks fulfilment.

The second group of experts will work in the following directions: production effectiveness improvement in agrarian sector; technical refurbishment of the existing enterprises and creating of the new highly technological enterprises for production and processing of agricultural crops; farming development support; support of farming development; development of modern forms of cooperation in agrarian sector; self-employment facilitating and training specialists for agricultural enterprises in rural areas.

The third group will be engaged in the fulfillment of the following tasks: promotion of investment and export potential of the region; repairing the roads and highways of the state, trans – regional and local use; financial support of the entrepreneurship; tourism development; recreation places development and water resources improve-

ment; energy resources management improvement; alternative energy support; medical care improvement; implementation of the new technologies in the education; the improvement of the housing and utilities service.

The effective social and economic development of the region depends on the effective work of all the local bodies and authorities. Though, there exist some features that discourage the regional economic and social development (low level of income per person which decrease the demand for the local goods and services; inability to invest into private business; economic problems in agriculture; level of unemployment and some others) but they should work in the way of implementation of the chosen tasks, creating the favorable conditions for the development of the region.

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**Кириченко Т.О.**

Сумський національний аграрний університет

## ОСНОВНИ АСПЕКТИ СОЦІАЛЬНО-ЕКОНОМІЧНОГО РОЗВИТКУ СУМСЬКОГО РЕГІОНУ

### Анотація

Активний та ефективний соціальний та економічний розвиток держави неможливий без врахування особливостей розвитку певного регіону. У статті розкрито основні чинники що впливають на соціально-економічний розвиток регіону. Проведений аналіз сучасного стану розвитку регіону, враховуючи його особливості, визначено сильні та слабкі сторони. Визначена роль регіональної влади у запровадженні програми розвитку соціального та економічного розвитку Сумського регіону. Позначено основні види та напрямки роботи на шляху до розвитку регіону.

**Ключові слова:** соціальний розвиток, економічні аспекти, запровадження програм, розвиток аграрного сектору, людські ресурси.

**Кириченко Т.А.**

Сумской национальной аграрный университет

## ОСНОВНЫЕ АСПЕКТЫ СОЦИАЛЬНО-ЭКОНОМИЧЕСКОГО РАЗВИТИЯ СУМСКОГО РЕГИОНА

### Аннотация

Активное и эффективное социально-экономическое развитие государства невозможно без учета особенностей развития определенного региона. В статье раскрыты основные факторы, которые влияют на социально-экономическое развитие региона. Проведен анализ действующего состояния и развития региона, включая его особенности, обозначены сильные и слабые стороны. Определена роль региональных властей во внедрении программы социально-экономического развития Сумской области. Обозначены основные виды и направления работ на пути к развитию региона.

**Ключевые слова:** социальное развитие, экономические аспекты, внедрение программ, развитие аграрного сектора, человеческие ресурсы.