

Urban and Regional Resilience: Strategies for Success



RANEPA
THE RUSSIAN PRESIDENTIAL ACADEMY
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Centre for Entrepreneurship Research, RANEPA
SMEs' statistics Lab, Russian Foreign Trade Academy
Innovation Economics Department, Gaidar Institute

Inclusive (sustainable) growth and regional resilience in Russia

Speakers:

Stepan Zemtsov, Vera Barinova
PhD, head of the lab

Saint Petersburg
23.10.2018

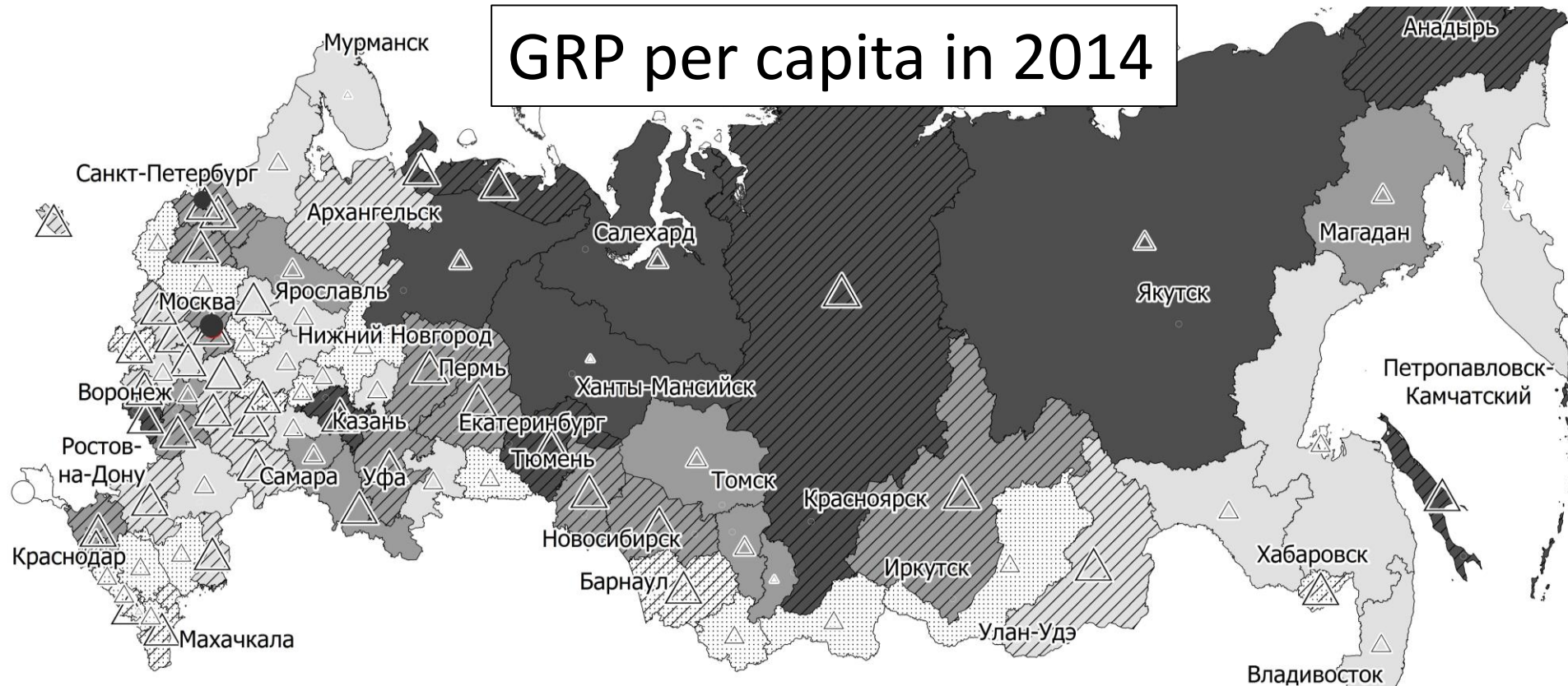
Sustainable development? Why?

- Sustainable development is an essential topic for Russia (social imbalances, environmental issues) but still ***lacks formalization*** (Waas et al, 2014; Bobylev et al., 2015)
- Economic growth indicators (GDP) are ***not suitable for 'real' growth assessment*** (Sen, 1994; Stiglitz et al., 2015)
- **Inclusive Development Index** (World Economic Forum): Russia ranked 13th among 78 developing countries, in 2018 - 19th. But Russia is too diverse!
- Resilient regions can be more diversified (Boschma, 2015; Martin, Sunley, 2015; Davies, 2011; Giannakis, 2017)
- The crisis of 2008-2009 showed ***greater resilience*** to crisis for many regions that did not have sufficient mineral reserves (Novgorod, Voronezh, Saratov, Ulyanovsk, Tambov, etc.)

What we want to know?

- Oil and gas-based economic growth in general ***did not affect real development*** (sustainability)
- Economic growth has limited ***effect only on*** the development of ***resource rich regions***
- The most ***sustainable regions*** are the most ***resilient*** ones

GRP per capita in 2014

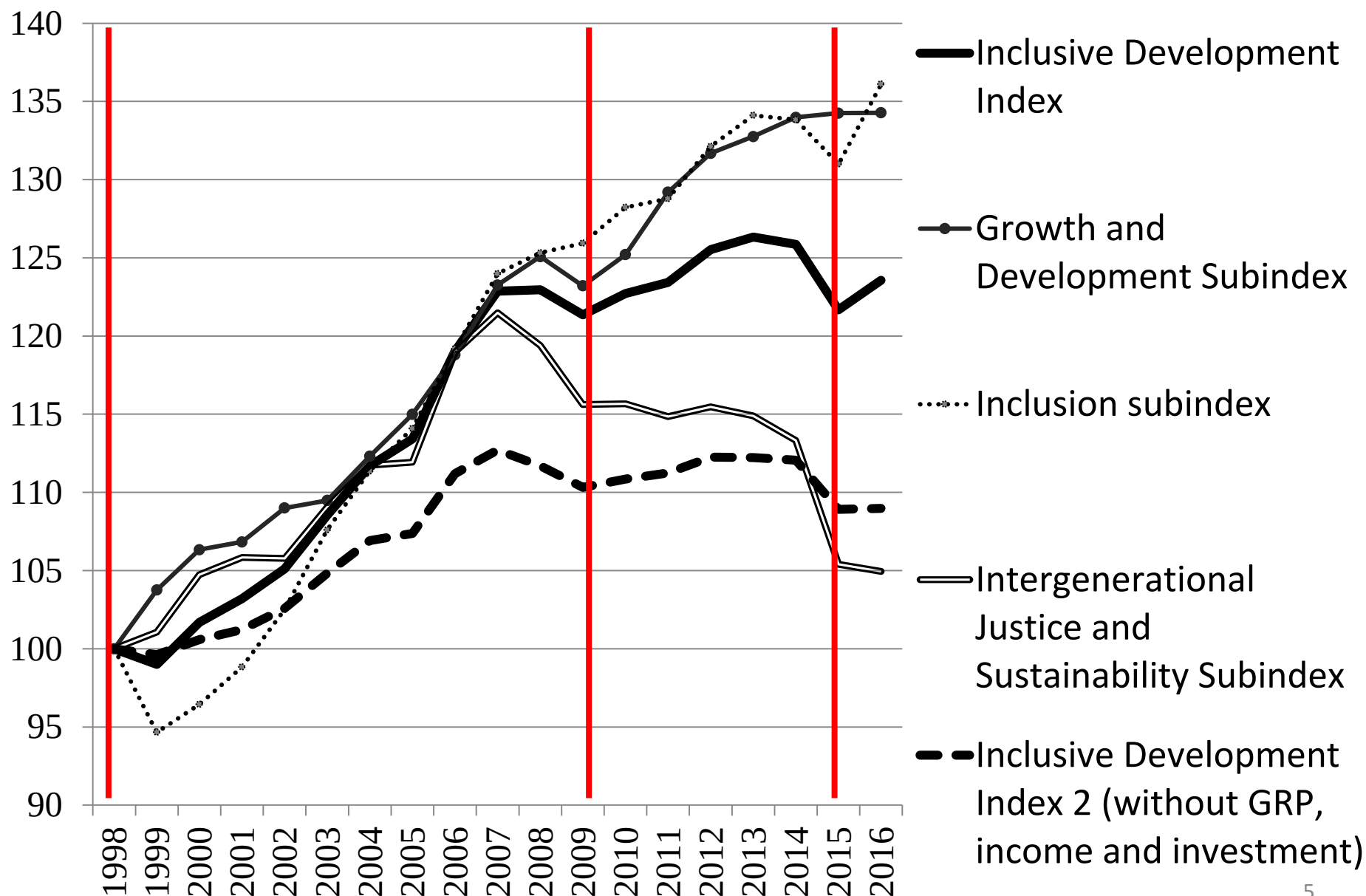




Indicator	Max	Min
Growth and Development		
<i>GRP per employed, mln rubles</i>	5	0,1
Employment, %	100	0
Life expectancy, years	90	50
Inclusion		
<i>Real incomes, thousand rubles</i>	50000	1000
Gini index of income	1	0
Poverty level (below the subsistence minimum), %	100	0
Intergenerational Equity and Sustainability		
<i>Investment/GRP, %</i>	100	0
Demographic pressure (<i>disabled per labour</i>)	1000	100
The share of own revenues in regional revenues, %	100	0
Emissions/GRP, thousand tons per 1 bln rubles	10	0

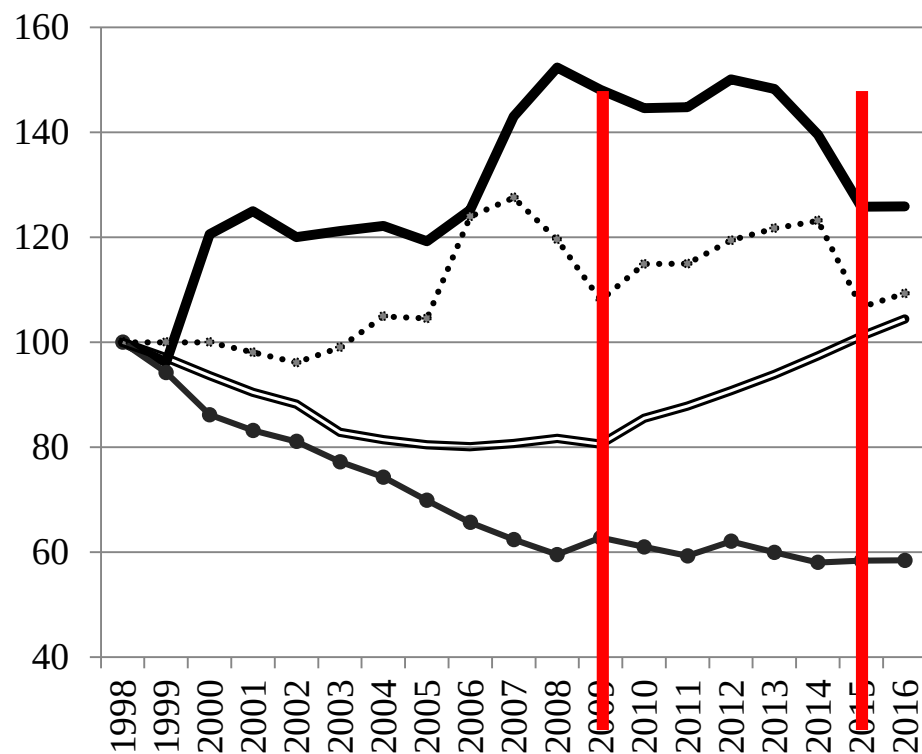
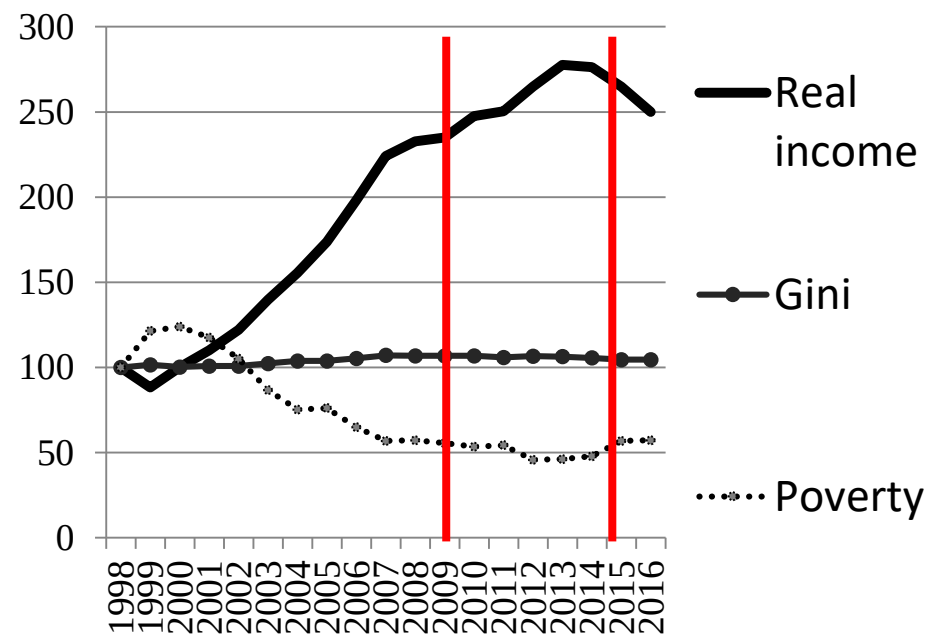
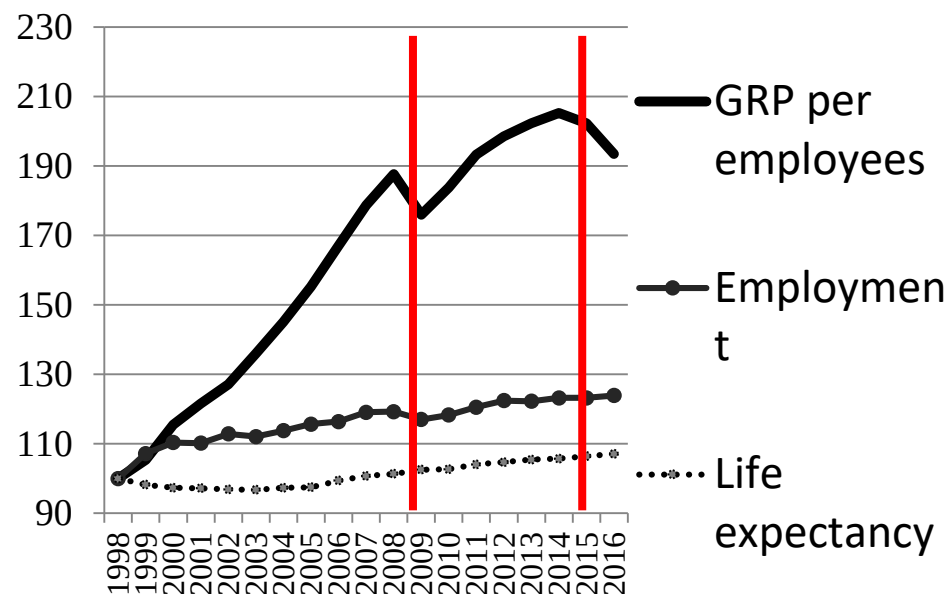
Inclusive Development Index 2 exclude *red highlights*⁴

RIDI and IDI2 Dynamics





RIDI indicators dynamics



Investment/GRP
Air emissions/GRP
Own budget revenues
Demographic pressure



GRP/IDI2 growth in the Russian regions

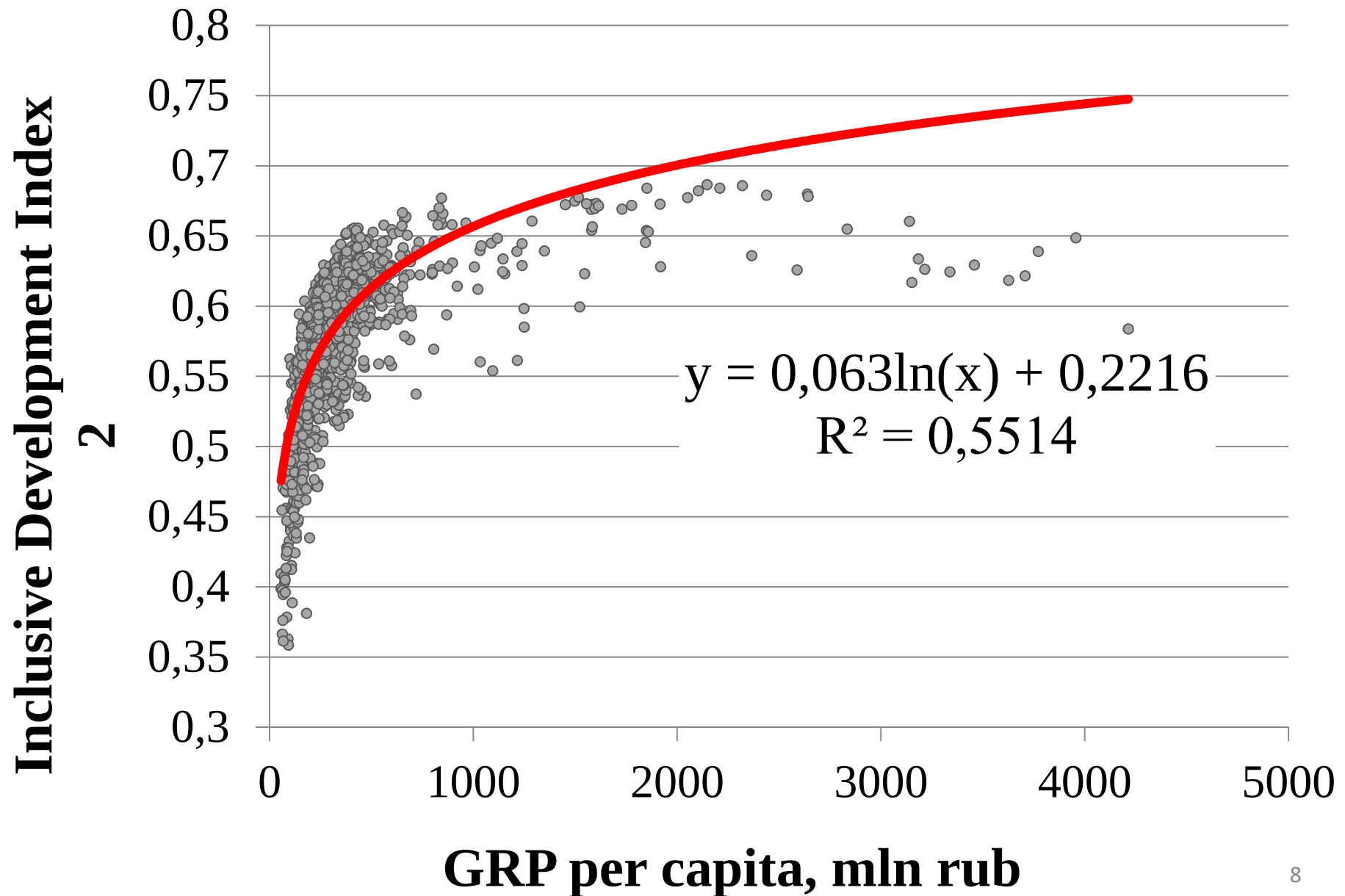


GRP per capita and IDI2 growth for 1998 – 2015 – to average growth in Russia

- GRPpc and IDI2 growth exceeds Russian average
- GRPpc growth exceeds average, IDI2 growth is lower than average
- GRPpc growth is lower than average, IDI2 growth exceeds average
- GRPpc and IDI2 growth is lower than average
- IDI exceeds Russian average

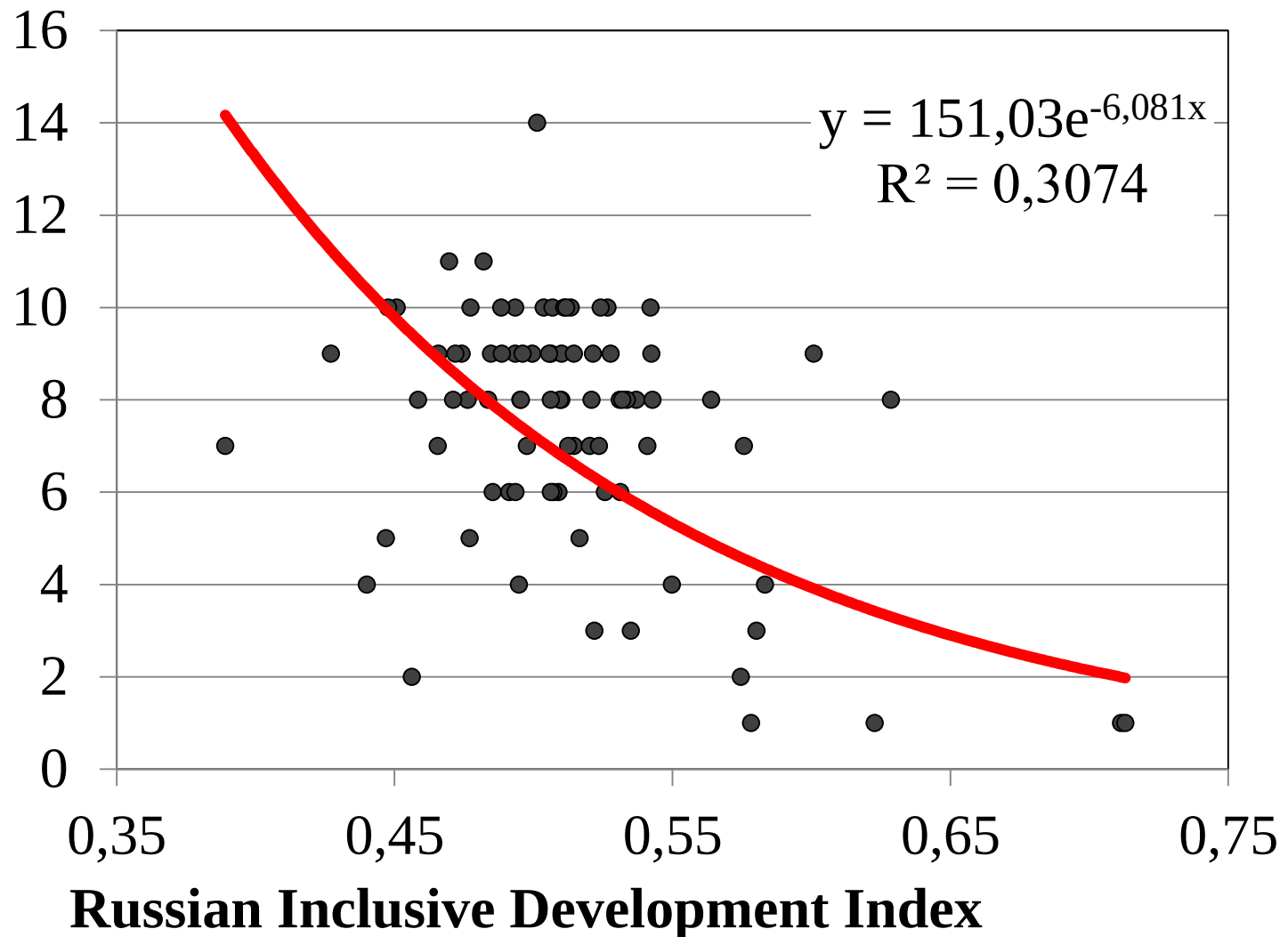


Most developed = most sustainable?



Most sustainable = most resilient?

The number of years the regional RIDI has returned to after the crisis in 2015



- Regional growth was accompanied by ***decrease in social and environmental risks*** due to budget redistributive system (economic growth affect real development)
- **Leaders of sustainable growth are not only oil and gas centers:**
The largest agglomerations: Moscow, St. Petersburg, Tatarstan, Moscow region
Diversified manufacturing centers: Tyumen, Sverdlovsk, Voronezh, Leningrad, Belgorod regions
- The interregional variation coefficient of RIDI declined until 2011, when the trend changed to positive - the redistributive fiscal policy worked to ***reduce the gap between regions***
- There is a ***non-linear relationship*** between regional development and sustainability. After a certain level of development economic growth is not related to social and ecological development
- Regions with a high RIDI (sustainability) are ***more resilient to shocks***



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Stepan Zemtsov, Vera Barinova

E-mail: zemtsov@ranepa.ru, barinova@iep.ru

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