

MODERN EUROREGIONALISM: SEARCHING FOR THE NEW APPROACHES

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1. European countries have used institutional (cluster) policy to increase the competitiveness of their regions today. This norm is a direct borrowing of experience of other countries in the formation of an effective regional policy. The Silicon Valley phenomenon orients the governments of many European countries to create high-technology clusters. However, the direction of science-driven clusters is followed by significant costs that reduce the economic diversity of the European regions.

– The real benefits of regional competitiveness are created by the variety of industries, but not by the similar activity in all regions. In addition, the formation of high-technology clusters leads to excessive investment attraction (duplication) of the same technology (information, bio-and nanotechnology).

– Supports high-technology clusters often ignore the question of whether there are prerequisites for creating a cluster in this region.

– The government institutions haven't always got necessary economic potential information of the regional cluster as distinct from the entrepreneurs [2, p. 37].

2. In practice, the governments of the European countries don't support only high-technology industries in their regions. Most regions in Europe still have a number of low-technological production, or don't use the technological innovations. They are influenced by "old economy", hold traditional regional cluster policy, which is not a viable alternative to current trends.

In fact, government institutions should not hesitate to support its "old economy". Unlike many high-tech industries, these clusters, at least, protect the environment and create many jobs. Traditional clusters are the framework for creating competitive advantages of the region, and often provide the efficient functioning of the economy. For example, digging of coal and steel in Wallonia (Belgium), forest industry in Scandinavia, motor industry and construction in south Germany, the textile industry in the north of Italy, making watches in Jura (Switzerland) and the steel industry in Stiria (Austria).

However, this way of traditional clusters promotion is the object of criticism as the government institutes assist only "to those who lost." The main goal of government aid is approval of low-technology regional clusters with effective implementation of regional policy. The desire of the government support to "regional champions" are often synthesized with an increase of employment, restructuring, etc. A similar set of targets in the cluster policy are dangerous, because they contradict each other [1, p. 12].

Low-technology cluster policy doesn't looking for accumulated problems solutions. In theory, the "old" industrial clusters may be temporarily supported by the state for its recovery. The problem, however, is that the start-subsidization process is less expensive than its cancellation. Moreover, regional policy is based on subsidies and in traditional sectors, it doesn't help companies restructure their production, further increases the inefficiency that these firms accumulated in the past. Thus, firms can fully depend on government support. "Old" industrial production process can be subject to inertial resistance, it is a preservation tendency of obsolete technologies, rather than the pursuit of changes in economic activity according to the current situation.

3. The dilemma of the modern regional cluster policy is that the "new economies" can be too modern for the region, while the "old" economies don't offer new opportunities for development. Searching around this problem, some scholars suggest to conduct researching according to the ideas of economist Joseph Alois Schumpeter. Today neo-schumpeterian theory is the main theoretical basis for creating regional institutional (cluster) policy in Europe [5, p. 401].

Indeed, it seems that the European countries can avoid some problems, synthesizing current global trends and local traditions in the development of regional cluster policy. It should be noted that the starting point for the alternative cluster policy should be effective regional infrastructure. When implementing structural or cultural features in the regional policy, European governments can try to determine the specialization of the region [4, p. 301].

In this way the symbiosis of local traditions and global trends are implemented. This method of clusters formation creates opportunities for economic growth in the region, upgrading of traditional industries, using of "old" knowledge to "new" purposes. In the formation process of "combined" cluster state plays the developmental role rather than regulatory.

References

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