

## SUMMARIES

### BSEC: TRENDS, CHALLENGES AND PROSPECTS

**Babashina A. S., Nikitina M. G.**

Contemporary international relations are characterized by deepening integration at the level of regions of the world. The Organization of the Black Sea Economic Cooperation (BSEC) is a reflection of this trend of international economic cooperation.

The ubiquity and intensification of regional integration processes attests to their necessity and expediency for the participating countries. Thus, «integrated in regional groupings states can more effectively defend their interests» [7, p. 24], regional integration «becomes an effective mechanism for the creation of flexible inter-state relations, able to reorient the relationship between the former rivals and create a platform for cooperation in various spheres of public life» [3, p. 20], «union of states on a regional basis can withstand modern «unfair globalization», the benefits of which are distributed unevenly and usually mainly in favor of the most developed countries» [2, p. 34]. However, along with the positive effects, the regional integration process leads to the emergence of different political, social and economic contradictions and negative phenomena. Therefore, the study has increasing relevance in identifying their causation, patterns and optimal development.

The article on the example of the Organization of the Black Sea Economic Cooperation examines the integration process in the Black Sea region, the contradictions and conflicts that impede convergence of member countries' economies; finally, this article answers the question about the prospects and potential of the Black Sea Economic Cooperation.

The theoretical and practical aspects of the BSEC regional integration are examined in works by M.G. Nikitina [7], E.D. Eshba [14], V.M. Yurchenko [15], D.B. Mirankov [6] S. Teleke [1], G.B. Liparteliani [5], L.N. Velichko [3], O.N. Baburina [2] and other national and foreign specialists. However, the events of the 2015 – 2016 years call for a review of the nature of the current interaction and the prospects of further cooperation between the BSEC member countries.

The aim of the study is to examine the economic development of the Organization of the Black Sea Economic Cooperation, to identify the main problematic issues that hinder the development of the organization, and to search for possible prospects for the future development of the BSEC.

**Keywords:** regional integration, the Black Sea region, BSEC, Russia in the BSEC.

## **METHODS OF SOCIO-ECONOMIC DEVELOPMENT OF THE REGION**

**Borovskaya L. V.**

The paper considers the system of methodological principles of regional administration, the classification of the forms and methods of management of socio-economic development in the region, identified effective methods of administrative regulation, found that the administrative management practices are unambiguous, do not allow significant deviations and require mandatory implementation, economic as methods enable choice of economic strategy.

**Keywords:** socio-economic development of the region, regional economy, administrative management techniques, the municipality.

## **ABOUT THEORETICAL BASES OF ECONOMIC DIAGNOSTICS**

**Vetrova N. M., Gaysarova A. A.**

In the article the modern theoretical going is considered near clarification of role and place of economic diagnostics in the system of information and analytical sciences. The analysis of in-use determinations of essence, tasks, article of economic analysis and economic diagnostics is conducted.

**Keywords:** economic diagnostics, economic analysis, theoretical bases, terms, concepts.

## **THE FOREIGN TRADE COOPERATION OF THE RUSSIAN FEDERATION WITH THE PEOPLES REPUBLIC OF CHINA: THE CONDITION, RISKS, PROSPECTS**

**Gadirly A. A., Gorda A. S.**

The urgency of research of problems and prospects of development of commercial intercourses is determined by variety of forms of the foreign trade cooperation between Russia and China, an imperative need of their deep analysis and development of new approaches to trade expansion in conditions трансформационных shifts in structure of world economic system. Optimisation of the foreign trade cooperation with the Peoples Republic of China is represented

an effective platform for stimulation of processes of transformation of structure of production and export of the Russian Federation.

In the Russian-Chinese trade and economic mutual relations imbalance remains, Russia turns to a raw appendage of China more and more. First, about 80 % of the Russian export to China primary goods, wood and goods of the chemical industry represent. China, basically, exports the goods with high value added. Secondly, Russia feels the big dependence on economy of Heavenly Empire, it takes the ninth place in the list of ten basic trading partners of the Peoples Republic of China. Thirdly, high tariff restrictions in mutual trade remain

Among the basic risks and deterrents of development of the Russian-Chinese trade and economic cooperation it is reasonable to allocate the following: ignorance by the Chinese and Russian businessmen of the legislation and business terms in the given countries that is shown in excessive care and decrease in enterprise activity; the difficult investment climate in China for realisation of projects with the Russian capital; imperfection and weak degree of flexibility of the Russian legislation that causes origin of additional risks regarding infringement of interests of the foreign capital, does not warrant its safety and safety; high rates of the taxation in comparison with lower rates in the Peoples Republic of China do not stimulate in the Russian Federation, and on the contrary reduce level of enterprise activity from the Chinese counterparts; Imperfect mechanisms and complexities in the decision of administrative problems reduce interest in creation of system of joint ventures with participation of the Russian and Chinese capital.

Russia is not to the full ready to represent itself as yet equal in rights and economically strong partner of China. For an exit from this position it is necessary for our country to specify accurately the basic priorities in trade and economic and scientific and technical communications with China, to concentrate efforts and resources to development of such perspective areas as the machine-building, aviation, space, nuclear industry, development of conversion productions, the high technology industries which are of interest for China.

Situation development on world political and economic arena at the present stage objectively promotes the further strengthening of strategic foreign trade partnership of Russia and China. High level of trade and economic interaction should become an important component of new quality of relations between the countries.

**Keywords:** the Russian-Chinese foreign trade partnership, foreign trade, foreign trade structure, export, import, a foreign trade turnover, factors and risks of development of foreign trade.

## **ORGANIZATION DISTRIBUTION MANAGEMENT IN THE AGRICULTURAL SECTOR**

**Glushko J. V.**

The article deals with the concept of sales management, the main objectives of marketing activity. the organization of effective physical distribution is proposed. The characteristic of the main stages of the sales process is given.

**Keywords:** marketing, management, organization, enterprise, stimulation.

## **INVESTMENT ANALYSIS OF RURAL TOURISM**

**Dementyev M. Y., Bagiryan S. G.**

Russian Federation has the presence of a variety of tourist and recreational resources through which she can develop almost all types of tourism.

Rural tourism is a new and promising direction, which allows city residents to join the traditional way of life of the villagers. The point is to holiday in the countryside, where the organization of the whole stay will take on the host family. Attractive features of rural tourism: clean air, home-like atmosphere, untouched nature, organic food, quiet and unhurried life. Experts say that about 2.5 million people in the Crimea will choose rural tourism.

Crimea has a wealth of tourist and recreational complex, including more than 3 thousand objects, of which 64 % are concentrated in the South Coast region, 16 % - in the western part of the peninsula, 10 % - in Central, 5 % - in the North and East zones. Due to the funds investors, hotel industry of the Crimea is becoming one of the priority directions of development. Great interest among investors is also implementing projects in the field of "green and ethnographic" tourism development which has all facilities in the Crimea. In addition, due to the significant forest resources (area of forest on the peninsula of 274.3 thous. Ha), more and more popular in the Crimea acquires hunting tourism.

To create an attractive investment climate in tourism and increase the number of investors, including foreign ones, in the Republic of Crimea necessary reforms in tax legislation, conducting anti-monopoly policy, the high activity of the local authorities in the field of advertising and information activities, simplification of tax and registration procedures, an adequate stock market infrastructure.

The article allows to draw conclusions about the Republic of Crimea is one of the most promising ecological and social position of regions of Russian Federation, thanks to its extremely favorable geographical location, availability of

significant reserves of natural resources, intellectual potential and developed infrastructure.

To create an attractive investment climate in the tourism sector, and to increase the number of investors, including foreign ones, in the Republic of Crimea reforms in tax legislation are necessary, conducting anti-monopoly policy, the high activity of the local authorities in the field of advertising and information activities, simplification of tax and registration procedures, the creation of stock market of adequate infrastructure are necessary.

**Keywords:** rural tourism, investment attractiveness, investment, development, efficiency, tourist and recreational potential.

## **THE REGULATION OF INFLUENCE OF MULTINATIONAL COMPANIES ON THE COMPETITIVENESS OF NATIONAL ECONOMIES**

**Ilyasova J. V., Holodov V. G.**

In this article positive and negative influences of TNCs on the countries' economies are considered. Countries are analyzed from the standpoint of the division of the states where TNCs are based and recipient countries. The factors of positive and negative influence of TNCs are described. Extent of the impact of TNCs on the economic development of the world economy has been established. The mechanism of regulation of TNCs intervention on economic policies of countries is offered.

**Keywords:** competitiveness of national economies, transnational companies, globalization, foreign direct investment, the home countries of TNCs, receiving countries.

## **CORPORATE SOCIAL RESPONSIBILITY: THE WORLD OF EXPERIENCE**

**Krivorotko I. A., Tulyakova N. A.**

This article analyzes different approaches to determining the significance of corporate social responsibility of enterprises. Implemented comparing its essence in Europe and the USA. Scientists have identified four approaches to corporate social responsibility concepts: instrumental approach, the approach from the position of political influence, the approach from the perspective of social demands, an approach from the perspective of ethics.

The theory proposed by A. Carroll, J. Elkington, E. Freeman. With the birth of the concept of corporate social responsibility and to the present time, it has undergone global changes Transformed from a complete denial of the idea of social responsibility of enterprises (Fridman), the recognition of the company responsible for the development of society on a par with the state (the concept of "corporate citizenship"). In fact they are opposite to the modern approaches, but thanks to them we can estimate what has changed the relationship between enterprises and society. At the same time, the approach to understanding the enterprise A.Kerolla corporate social responsibility, as a multilevel structure will solve some contradictions in the approaches to the subject. The pyramid of corporate social responsibility A. Carroll combines and reflects the existing approaches to the understanding of corporate social responsibility, showing their historical evolution (from the understanding of the organization as a closed economic system, to the recognition of its relations with the public), as well as changes in the understanding of the heterogeneity of social needs (from recognition of the general public needs, their personification depending on the existing community groups).

**Keywords:** social responsibility, motivation, attitude, company, concept, pyramid business.

## **APPLICATION OF FOREIGN MODELS OF PERSONNEL MANAGEMENT IN THE RUSSIAN MANAGEMENT**

**Nalivaychenko E. V., Vistavkina V. O.**

In the article it is shown, that in human resource management practices are now intertwined different management models, and the dominant are two opposite approaches – American and Japanese.

There are considered the characteristic features of the American model: the desire to achieve their goals, individualism and the approval of its leadership, formed due to the American national characteristics. It was found, that the main type of motivation in the American model of management is the monetary incentives, which, as a rule, consists of two parts: the wages paid for the work performed, and additional benefits, amounting to 40 % of wages. A vertical career traditionally is considered to be successful in America, when the employee is increased in the post from the bottom to up.

It was found, that the Japanese model of human resource management is based on the philosophy: “We all are the one family”, and the key objective in this case is to establish friendly relations with employees, the formation of the understanding that workers and managers are working in the same family (the

company) and for the same family. The general model of Japanese management has the following main features: education, competitiveness, lifetime employment system, the system of decision-making “ringisay”, that provides multiple coordination of decisions at all levels of management, the payment system and the promotion by seniority.

It was concluded, that despite of substantial differences of American and Japanese approaches to the management values, the common of these systems is that each of them focuses on the intensification of the human factor (but use thus different forms and methods) and constant innovation, focus on development and the implementation of long-term strategic workforce planning.

In the study it was found, that the hallmark of the Russian management is monitoring the entire cycle, beginning with the delivery of the necessary resources and ending with the sale of goods, as well as the lack of delegation of authority: senior managers, as a rule, do not transfer part of their duties to mid-level managers, and perform it themselves. In the article there was proposed the main ways of applying the American model of personnel management, that may include: orientation of administrative activity at the final result; improving the mechanization and automation of management personnel’s work; use of modern information technologies in office work. Directions of Japanese model’s using in Russian management are: creation of the conditions for long-term employment; the introduction of staff turnover; the provision of intertwined interests of the organization and employees.

**Keywords:** the American model of personnel management, the Japanese model of personnel management, the Russian management.

## **SPECIAL REGIME INVESTMENT REPUBLIC OF CRIMEA: ANALISYS AND PROBLEMS**

**Nikitina M. G., Druzin R. V.**

The article analyzes the evolution of special investment regimes in the Republic of Crimea as a special economic zone, the problems of functioning of special economic zone in the Republic of Crimea, identify trends and imbalances of investment processes.

**Keywords:** investment process, a special mode of investment, free economic zone, the Republic of Crimea.

## **ETHNOMANAGEMENT AS A PART OF ETHNOECONOMIC**

**Pavlov K. V.**

Ethnoeconomic is a new scientific field, in which identifies the general laws of mutual influence of socio-economic and ethnic processes, and identifies the national characteristics of socio-economic behavior (including market adaptation) and the relationship of each ethnic group with the efficiency of social reproduction of the country where the ethnos lives. Considered influence, which have traditions, customs, culture, psychology, ideology, religious beliefs of different ethnic groups on the nature and level of development of productive forces and production relations. We analyzed the main characteristics of the Asian and American management model, necessity of formation of the Russian model of effective management, and relevant to the specific features of the domestic economy.

**Keywords:** ethnomanagement, ethnoeconomic, institutionalism, productive forces, relations of production, economic psychology, management model.

## **COMPETITIVE ADVANTAGES OF RUSSIA IN THE INTERNATIONAL MARKET OF SERVICES AMONG BRICS' COUNTRIES**

**Penkova I. V., Zhidova O. E.**

The article highlights the main principles of the competitive advantages. Rising importance of the services' sphere gives the base to investigate the trade of services and to determine the scale of Russian Federation involvement in this process. Existence of the comparative (competitive) advantages in the country of different services indicates that country has the access to the new technology and has a lot of intellectual potential. BRICS countries play a vital role in the world economic development and in the world trade of services. In this association Russia has a lot of comparative advantages. Russia has to develop its technological sphere, diversify export, attract more qualified personnel and etc. to expand its opportunities to achieve the comparative advantages in the world trade of services.

**Keywords:** competitive advantages, comparative advantages, world trade of services, export, import.



## **CORPORATE SOCIAL RESPONSIBILITY OF BUSINESS: EVALUATION CRITERIA AND MEANS OF FORMATION**

**Poteiv A. T., Mabilia Gilbert**

The article deals with the essence, the means of formation and assessment criteria of business social responsibility and other economic system's actors was studied. In the terms of market's super volatility, emergency of external factors and frequently global financial and economic crises involvement, the social responsibility issue, as a special resource of business acquired scientific and practical significance.

**Keywords:** social responsibility; harmonization and equilibration of economic and social interests; limits of social irresponsibility; mechanisms in the formation of social responsibilities; regularity of interrelation of business efficiency and its social responsibility.

## **COUNTRY RISK IN RUSSIA AND THE CIS COUNTRIES**

**Tverdohlebov N. I.**

Country risk is an integral indicator for assessing the ability of the country's economic actors, including the Government, to meet its external obligations. The purpose of this paper is the country risk rating of the Russian Federation and four CIS countries comparative analysis.

Country Risk Service – regular study published by Economist Intelligence Unit (EIU, a group of The Economist). The study covers 120 countries, including eight of the CIS countries. The results of evaluation consist of three basic indexes: sovereign risk, currency risk and banking sector risk, as well as two more: political and economic structure risks. The aggregate country risk index is calculated as the arithmetic mean score of three major indexes on a 100-point system and transferred to the letter designations.

In terms of country risk, five countries are clearly divided into two groups: three countries (Azerbaijan, Kazakhstan and Russia) in the quantitative indicators about the same and the two countries (Belarus and Ukraine) with the assessment of the CC and a significant difference in the point estimate. The high degree of country risk indicators of the two countries is due to sovereign risk and banking sector risk.

Sovereign risk index of the five countries, the risk of government default on its external obligations, shows the largest gap to 28 points (48 points in

Kazakhstan and 76 in Ukraine). Sovereign risk of Russia (BB/49) is at the level of the average for the countries of Central and Eastern Europe.

The highest foreign exchange risk is in Ukraine and Belarus due to the sharp depreciation of the national currencies in 2015. A lower currency risk in Azerbaijan, Kazakhstan and Russia is due to significant foreign exchange reserves accumulated during the period of high oil prices. The devaluation of the national currencies of Russia, Azerbaijan and Kazakhstan in 2015 increased the banking sector risk. However, according to Country Risk Service the central banks of these countries have sufficient resources to support and recapitalize systemically important banks. Russia and Kazakhstan have the least political risk. For Ukraine, the political risk is defined as the highest. The risk of economic structures of Russia, Azerbaijan and Kazakhstan determines the high dependence of exports and budget revenues from oil and other commodities and slow diversification of the economy.

**Keywords:** country risk, rating, CIS.

## **GLOBAL TRENDS IN VENTURE FUNDING OF HIGH TECHNOLOGIES**

**Tkachenko J. O.**

The article describes the concept and essence of venture capital financing of high technology. Further, the author classifies countries by types of products of technological development. The article analyzes the global venture capital market, presents the results of the analysis of individual indicators in some countries of the world. Author has considered the US market dynamics; the table presents the largest venture capital investment over the period. We conducted a comparative analysis of the venture capital investments of the European Union and Asia. We pointed out the largest transactions in the European Union and Asia. The article analyzes the country with the highest investment activity among European countries. We consider the share of industries in the world of venture capital investment. We analyzed in detail the venture capital market of the Russian Federation: identified the most attractive for venture investors, investment sector. We examined the distribution of venture investments by sectors of the Russian economy. We compared the venture market data of the Russian Federation with the global trends. Based on the analysis we have made conclusions about the trends in the development of venture capital financing in the world

**Keywords:** high technology, venture capital, competitiveness, innovation, investment, capital.

## LABOUR MIGRATION IN THE RUSSIAN FEDERATION: PROBLEMS AND SOLUTIONS

Tutereva A. R., Kuznetsov M. M.

In this article was analyzed the international labor migration in the Russian Federation. The data on the current state of labor migration was provided. The article emphasizes basic factors that characterize the migration situation in Russia. The role of international labor migration in the Russian economy was considered. For today's Russia is very important the impact of migration on development. Russia came to an understanding of the urgent need for reform in migration policy, becoming practically, one of the world leaders in migration rates, and especially illegal immigration.

The complex of different socio-economic, demographic, political and cultural factors contributed to the formation of Russia as one of the largest world centers of the inflow of labour migrants, as well as supplier of labor to the markets of other countries. This generates a number of both positive and negative effects and changes in socio-economic development of Russia.

To solve the problems caused by the international labor migration and to use its positive aspects better we must develop science-based immigration legislation and coordinated migration policies.

Migration regulation should not be based only on a single migration policy. It is necessary to synthesize the mechanisms of migration policy with the socio-economic and demographic program. Regulation of labor migration should consist of the following set of actions: the creation of public awareness and tolerance; identification of the most appropriate scale and trends of immigration; facilitate the process of adaptation of the population; creating attractive working conditions. The implementation of the migration policy of the state should also involve public and private organizations.

It is also important to the international cooperation in this field. The state should form its emigration and immigration policy, based on the socio-economic situation in the country, and abroad, on the structure and the needs of national and international labor market, together with other countries..

**Keywords:** international labor migration, emigration, immigration.

## **INFLUENCE OF INVESTMENT POLICY RUSSIA ON THE INFLOW OF FOREIGN DIRECT INVESTMENT IN THE COUNTRY**

**Shintyabina E. V.**

The article deals with the dynamics of direct foreign investments into the economy of Russia and is estimated impact of government measures to improve the investment attractiveness of the country by analyzing indicators in international rankings Doing Business and BDO International Business Compass.

**Keywords:** Foreign direct investment (FDI), government investment policy.