IMPROVEMENT OF ECONOMIC AND INFORMATION MECHANISMS OF SOCIAL-ECONOMIC DEVELOPMENT OF MOUNTAIN TERRITORIES

1. Introduction

The experience of Ukraine shows that the current mechanisms of state management of the problems of mountain territories are not sufficiently effective. In particular, the majority of approved socio-economic development programs for these territories are not fully implemented, including due to underfunding by both the state and local authorities. Efficiency of sectoral programs is low. The high dynamics of the mountain environment does not allow to predict all trends of their development. Limited resources, insufficient information need to strengthen the attention of local executive authorities and local self-government to further improve the existing instruments of state regulation of the socio-economic development of these territories of Ukraine.

Therefore, it is urgent to improve the economic and informational mechanisms of state administration on the socio-economic development of the mountain territories of Ukraine.

2. The object of research and its technological audit

The object of research is the socio-economic development of the mountain territories of the Carpathian region (Ukraine). One of the most problematic places is the existing mechanisms of state management to address the problems of mountain territories. Limited resources, insufficient information need to strengthen the attention of local executive bodies and local self-government, as well as further improve existing instruments of state regulation. In order to ensure the sustainable development of the mountain territories of the Carpathian region, it is necessary to study the mechanisms for the development of the socio-economic state of these territories. It is necessary to use the experience of foreign countries. Leading organizations, namely the Association for the Promotion of Economic and Social Development of the Regions, the Agency for Regional Development, the Ukrainian National...
Council of the Carpathian Euroregion and the like conduct the studies of sustainable mountain development. Primarily state support for the socio-economic development of the mountain territories of the EU countries was managed in two directions [1, 2]:

1) the renewal or formation of certain sectors of the economy to strengthen the business activity of the population;

2) an increase in the scale and effectiveness of the activities of business entities for development of socio-economic infrastructure and the growth of the well-being of the population in mountain territories.

3. The aim and objectives of research

The aim of research is improvement of the economic and information mechanisms for the long-term development of the mountain territories of the Carpathian region of Ukraine.

To achieve the aim of research, the following tasks are formulated:

1. To conduct an analysis of the socio-economic state of the mountain territories of Ukraine and its components.

2. To develop a model of a tourist-recreational cluster, which will contribute to the socio-economic development of the Carpathian region.

3. To give recommendations on the improvement of economic and information mechanisms for the socio-economic development of mountain territories.

4. Research of existing solutions of the problem

To date, many scientific works are devoted to the problems of socio-economic development of mountain territories. However, despite a wide range of scientific views and the importance of scientific research, many issues on the development of mountain territories remain open.

In particular, studies in the field of public administration on the socio-economic development of the mountain territories of the countries of the European Union were carried out in [1–4]. And the issue of tools to stimulate the development of mountain territories were highlighted in [5, 6].

With the help of the conducted researches, the priority branch of social and economic development of mountain territories was established in works [7–11] and the structure of the tourist-recreational cluster was developed.

In particular, works [12–15] investigated measures to create conditions for the sustainable development of mountain territories with the help of greening the innovation process of management.

The author [16, 17] considered approaches that guarantee sustainable development of forestry that is an integral part of the existence of a tourist-recreational cluster.

An alternative solution to the problem is described in [18]. This option provides for the development of strategic plans for social and economic development based on the use of the local resource reserve.

Thus, the results of the analysis allow to conclude that by determining the priority territories of socio-economic development of mountain territories and establishing effective mechanisms for public administration, it is possible to guarantee the economic growth of the Carpathian region.

5. Methods of research

To solve the set tasks, an analytical method was used, which made it possible to determine the priorities in the socio-economic development of these territories. The method of extrapolation made it possible to transfer the trends and directions of sustainable development of individual industries and spheres of the socio-economic complex of mountain territories, found at the present stage, in perspective. Using the method of systemic generalization, recommendations on the economic and information mechanisms that will guarantee the sustainable development of mountain territories are formulated. The method of SWOT analysis helped to conduct a detailed study of the external and internal environment of the Carpathian region and identify external opportunities for the development of these territories and internal weaknesses, which need to accumulate attention in the economic and information aspects.

6. Research results

The substantiation of the principal provisions of the objectives of the state mining policy for the development of mountain territories must correspond to the market transformation transformations of the current stage of socio-economic development of Ukraine. These provisions must be solved in a comprehensive manner, synthesizing the most expedient mechanisms of public administration. In particular, the essence of the mechanism of public administration is «the system of state bodies (institutions) of management, with the help of a number of instruments (tools, levers, methods, procedures, legal norms, incentives, methods, functions, principles, measures, etc.) provide impact on the object of management to achieve a specific goal of public administration» [3].

Solving the problems of socio-economic development of mountain territories requires very specific, understandable and effective mechanisms of public administration. Among them, economic (through monetary and credit tools and budgetary levers) and information (the formation of ecological consciousness of the population of mountain territories, recreants and tourists) are distinguished [4].

The experience of the EU countries shows that the solution of the problems of mountain territories requires the use of such tools as the stimulation of «growth points» [5]. It is about the availability of necessary conditions and sufficient (necessary) resources, with the provision of which the effect of socio-economic growth is achieved. This mechanism is also used to regulate the socio-economic development of mountain territories, such as clustering the economy of depressed territories, including mountain territories, to reduce the inequality of their socio-economic development. The creation of regional clusters allows to concentrate limited financial resources, to effectively use the available local resource, human potential for setting up production (rendering services) in accordance with the peculiarities of mountain territories. All available resources of mountain territories are attracted to the development of clusters: natural, industrial, labor, domestic capital and the like.

Therefore, for development of mountain territories at the local level, the use of such tools is proposed in regional strategies [6]:

1. Creation on the basis of clusters of perspective «growth points», «territories of economic development», which can
positively affect the socio-economic development of these territories.

2. «Regional and local accessibility», the purpose of which is provision of quality communications with remote mountain territories through transport and road construction; to implement the active development of their social infrastructure.

Analysis of the real socio-economic situation in the mountain territories makes it possible, at the beginning of the development of the tasks of their development, to identify the most important trends, shortcomings and disproportions in the functioning:

- the existing socio-economic complex, the reform of economic relations;
- the social status of the local population and the environmental situation. In the structure of economic activities, the high potential for the development of mountain territories is characterized by tourism, hotel and restaurant business, agriculture and forestry, trade and services, etc. (Fig. 1).

The most promising territories of socio-economic development and increasing the effectiveness of the functioning of entrepreneurship in mountain territories are respondents [7]:

- 26.3 % – opening of new business facilities;
- 19.2 % – opening of own business;
- 17.2 % – creation of clusters;
- 15.1 % – establishments and expand cooperation practices;
- 11.1 % – creation of new business entities;
- 8.1 % – increase in the number of employed in the business sector.

It should be noted that the priority for the development of the mountain territories of the Carpathian region of Ukraine is the tourism and recreation industry. Therefore, clusters should become one of the important components for ensuring sustainable development of the recreational and tourist industry. Clusters to a large extent should facilitate the transition from the direct impact of public authorities, by involving other management sectors, provided that their interests are secured, which will be directed to the development of this sector. The combination of state, entrepreneurial structures and public organizations will guarantee the socio-economic growth of mountain territories (Fig. 2).

One of the effective measures to promote the development of entrepreneurship should be considered the use of concessions [12]. In particular, concessions for existing facilities, construction and modernization of infrastructure facilities in the field of tourist and recreational activities, transfer of public and municipal property to private sector management. The use of concessions is facilitated by:

- the possibility of long-term placement of investments under state guarantees;
- ensuring the necessary financing of the infrastructure and its equipping with modern equipment;
- application of potential and capital of private partners in the field of economic and social activities;
- attraction of private partners’ funds in the development of state, municipal property and others.

![Fig. 1. Structure of economic activities in terms of development potential in the mountain regions of the Lviv region, 2017](image1)

![Fig. 2. Model of the tourist-recreational cluster](image2)
But the implementation of development plans for the tourist and recreational sector can’t be solved without solving the issues of related industries. The agro-industrial sector, for example, should guarantee ecologically safe food products not only to the population, but also to potential numerous holiday-makers. It is necessary to establish a simple sanitary order in recreation territories, uninterrupted operation of water pipes, electricity, sewage, transport. Therefore, the main priorities for the further development of the tourist and recreational potential of the mountain territories of the Carpathian region are the development of the material and technical base. In particular, the provision of conditions for the infusion of Ukrainian and foreign credit and investment funds for the implementation of innovative projects, as well as the transition to international standards in the tourist and recreational process. An important function in this case should be to monitor the establishment and implementation of economically feasible tariffs and prices for services that are provided by resort institutions according to the degree of certification of facilities.

To improve the efficiency of recreational activities in mountain territories, measures should also be taken to unite the tourist and recreational resources of these territories into a single economic complex. This mode of management should be carried out at the expense of their natural wealth with an indispensable condition for preserving the natural-resource potential [13–15]. The creation of a modern tourist-recreational cluster is the creation of a complex of enterprises, organizations and institutions that cooperate with each other. This complex will guarantee the activity and development of recreational and tourist infrastructure, use the territorial-resource potential to meet the demands of the population for recreation, sanatorium treatment and tourist services on the principles of sustainable development.

The existence of a tourist-recreational cluster in the Carpathian region is impossible without using the natural potential of the Carpathians, namely forests. Using the approaches of [16, 17], let’s suggest measures to create conditions for the sustainable development of the mountain territories of the Carpathian region, in particular forestry:

- transition from continuous logging to planned-selective;
- carrying out forest plantations and adjusting the natural regeneration of forests in accordance with natural conditions (soils, exposure, precipitation, etc.);
- appropriate funding that must be provided for the implementation of important activities provided for by legislation and programs, in particular the introduction of environmentally friendly logging technologies, for example, airborne skids;
- improving the assessment of the impact of forestry activities (especially felling) on biodiversity – carrying out such assessment when developing forest management programs;
- prohibition of privatization of forest fund lands.

It is also important to restructure the forestry system and to eliminate the combination of incompatible functions in the face of forestry enterprises. So, to improve the activities of forestry, it is necessary to make appropriate changes in order to make protection and restoration of forests attractive to forest users.

Since the 80s of the 20th century, the EU policy in mountain and other problem territories is beginning to take a mostly «stimulating» character. This change in preferences was aimed at stimulating socio-economic development. This was due to the application of market methods of management, which contributed to the active work of the potential of private initiative and the use of existing local resources. Advantages were provided for the development of strategic plans for social and economic development based on the use of the existing resource reserve at the local level [18]. Since, priority measures for the socio-economic development of mountain territories should be the social development of the village and the creation of favorable conditions for development of organic agriculture, income for the local population.

To successfully solve the problems of socio-economic development of mountain territories, an appropriate system for monitoring the state of their economies should be implemented. This monitoring should be carried out by comparing current indicators, according to the established basic, regulatory or threshold values, respectively, show the initial, calculated or critical state of economic development of these territories. Considerable attention should be given to the mechanism for monitoring and forecasting the factors that reveal threats to the sustainable development of mountain territories.

This monitoring should be based on the combination of two approaches: the manifestation of general trends and geographically differentiated development of the national economy at the regional level, and it is necessary to use indicators of quantitative parameters of thresholds and threats to sustainable development. The purpose of such monitoring is information support for the clear implementation of the functions of government.

Achievement of economic growth of the mountain territories of Ukraine requires clear priorities and mechanisms for the implementation of the state mining policy, which should guarantee a comprehensive solution to their production and social problems. It is possible to improve the existing socio-economic situation in the mountain territories of Ukraine only by improving the mechanisms of influence on the effective use of available resources, which will ensure the harmonization of the interests of all economic entities and will contribute to the growth of the economic potential of the mountain territories of Ukraine.

This makes it possible to argue that the economic mechanism should be aimed at:

- creation of an effective socio-economic system of a market type, guarantee the material well-being of the local population and the ecological safety of mountain territories;
- ensuring the proportionality of development of all elements of the resource reserve of mountain territories and their coherence with plans for social and economic development;
- introduction of scientific validity, optimality, efficiency, unity and interrelation of all measures of fiscal and financial policy, optimal combination of market and non-market financial instruments;
- provision of separate subventions to local budgets for the development of mountain territories;
- financing of investment projects directly from the state budget in the framework of other programs;
- financing from the regional budgets in terms of the development budget;
This will allow the information mechanism to contribute:
- popularization of environmental protection and quality management of natural resources;
- supporting policies aimed at ensuring the socio-economic development of mountain territories, employment and social protection of its population;
- implementation of activities, which task is promotion of health, education and training of the population of mountain territories.

This makes it possible to provide:
- introduction of a mechanism for monitoring the state of the economy of mountain territories, which should be carried out by comparing the current values of indicators, according to the established basic, normative or threshold values, respectively, showing the initial, calculated or critical state of economic development of these territories;
- application of a mechanism for monitoring the implementation of planned activities by local authorities, relevant results and their consequences;
- improving the public information system by, inter alia, improving and developing publicly accessible sources of information (publications, web pages of government agencies).

7. SWOT analysis of research results

Strengths. The strength of research is the developed model of the tourist-recreational cluster, which will contribute to the development of not only the tourism industry of mountain territories, but also related industries. The proposed economic and information mechanisms for ensuring sustainable development will ensure effective cooperation between state authorities, business and the public, promote the social and economic growth of the Carpathian region and improve the lives of the local population.

Weaknesses. The weak side is that the mechanisms of state regulation on social and economic development of the Carpathian region do not work due to a number of factors, namely:
- imperfect legal and regulatory framework for liability for violation of forestry, land and water legislation;
- there are threats to the ecological safety of mountain territories;
- investment climate remains unfavorable despite the fact that the authorities have declared an innovative investment model of development;
- lack of effective cooperation between state authorities and private partners;
- deviation of real indicators and indicators for the socio-economic development of mountain territories from planned;
- infrastructure of mountain territories is in unsatisfactory condition;
- low employment and social protection of the population;
- low information provision of the public on the state of socio-economic development of mountain territories. Opportunities. Opportunities for further research are:
- beginning of new enterprises (clusters) both at the regional level and cross-border;
- introduction of the experience of foreign countries on effective mechanisms for state regulation of the socio-economic condition of mountain territories;
– use of innovative technologies for production and technical purposes;
– development of the recreational and tourist industry;
– popularization of environmental protection;
– development of the region's infrastructure;
– creation of new jobs.

**Threats.** Threats to the results of the conducted studies are that the socio-economic market of mountain territories is constantly changing, new types of activities appear that need to be taken into account and the methods of analysis to be changed. There are external factors affecting the socio-economic market of mountain territories, such as:
– unstable regulatory and legal support;
– there is no unity and interconnection of all measures of fiscal policy;
– economic instability in the country and deepening of the global financial crisis, on which depends the reduction or increase in economic indicators;
– deterioration of the investment climate;
– natural disasters;
– demographic crisis in the region.

**8. Conclusions**

1. The analysis of the socio-economic condition of the mountain territories of Ukraine is carried out, which helps define the tourism and recreation industry as a priority and adjacent to it. An important component of this branch is the tourist-recreational cluster of mountain territories, which will allow to:
– create conditions for effective activity and cooperation of all business entities;
– develop and implement measures to stabilize and improve the demographic situation in mountain territories, reduce the scale of emigration of local residents.
2. A model of a tourist-recreational cluster of mountain territories is developed, in which management mechanisms are identified and cluster participants are established, to ensure sustainable development not only of the tourist and recreational sector, but also the socio-economic development of mountain territories.
3. Recommendations are proposed for improving the economic and information mechanisms for the state management of the socio-economic development of the mountain territories of the Carpathian region. In addition to the steps for each of the mechanisms, specific actions are indicated, that is, their orientation, security, and the ultimate goal and conditions of implementation. The implementation of the proposed economic and information mechanisms will contribute to the improvement of the socio-economic condition of the mountain territories of the Carpathian region, and will contribute to improving the level and quality of life of the local population.

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