

G. V. Lebedeva, Candidate of Economic Sciences, Assistant professor, professor
of Russian Academy of Natural Sciences

Branch of Saint-Petersburg State Economics University in Veliky Novgorod

Indicators and factors of economic growth in the Novgorod region

Economic growth in Russia, its past, present and future are the most important topics of discussion among politicians and scientists. This problem is urgent, because intensive economic growth is the basis for improving the welfare of the population and condition of reducing the income gap.

The increase of production resources, improving their quality, and methods of their production stimulate growth of economic potential of the country. In the modern world, economic growth is not only the indicator of economic development of the country or its separate region, but also is the consequence of sustainable development of an individual and society.

The problem of economic growth is one of the most important for the Novgorod region. Analysis of the dynamics and factors of GRP Novgorod region for the period of 1998 - 2013 demonstrated the role and place of the Novgorod region in formation of gross domestic product of Russia. On major economic indicators the region was on the 8th place in the rating of North-West Federal district in 2003. Statistics for the Novgorod region showed the progressive growth of the economy: growth of GRP from 9 422,3 million rubles in 1998 to 39 066 million rubles in 2003, GRP growth rate averaged 34%. This was largely contributed by the favorable investment climate, strengthening of industrial potential, administrative support of the agricultural sector as well as of small business [2].

According to Novgorodstat (Territorial branch of the Federal service of State statistics in the Novgorod region), the volume of GDP in 2011 at basic prices amounted to 149 billion rubles, and increased by 3.7 per cent compared with the previous year. Index-deflator of GDP in 2011 relative to the prices of 2010 reached

112.8 %. The share of the gross regional product of the Novgorod region in the Russian Federation's GDP and North-West Federal district's GRP in 2011 as compared with 2010 has not changed and amounted to 0.3% and 3.2% respectively.

GRP per capita was 236 thousand rubles in 2011, which exceeds GRP per capita in 2010 by 35.7 thousand rubles or 17.8%, which was below the national average by 80.6 thousand rubles, or 25.5%. By this indicator the Novgorod region takes eighth place among regions of the North-West Federal district, outpacing the Republic of Karelia and the Pskov region.

The share of the leading basic types of economic activity (agriculture, mining, manufacturing, production and distribution of electricity, gas and water, construction, transport, retail trade) was 70% of Gross Value Added in 2011 (in 2010 - 68,5%).

In 2011 as compared with 2010 Gross Value Added increased in such significant (according to the specific weight in GRP) economic activities: agriculture, hunting and forestry (115,9%), wholesale and retail trade; repair of motor vehicles, motorcycles, household goods and articles of personal use (114,5%), processing manufacturing (105,9%). In addition, a significant growth of Gross Value Added in 2011 was observed in mining (by 74.9%), education (37.2%), health care and social services (by 15.8%), financial activity (by 14.7%) [1].

Currently, the Novgorod region is the 7th in the North-Western Federal district in birthrate, the 9th in mortality rate, the 3rd in the growth rate of the level of real incomes of the population, the 5th in the growth rate of real wages, the 4th in commissioning of dwelling houses per 1000 people, the 3rd in the density of hard surfaced highways of the general use, and the 2nd in the index of investments in fixed capital [4].

Estimation of influence of the factors on the dynamics of GRP is an urgent problem for most regions. In the study, the GRP of the Novgorod region was considered depending on the fertility rate, the average per capita income, number of unemployed, housing per capita, the volume of agricultural products, volume of

construction, the volume of paid services, investments in fixed capital. The factors were selected as the most significant in the course of the preliminary study.

Significance criteria parameters of the linear regressions, the average error of the approximation, linear correlation coefficients and determination of the coefficients of elasticity were calculated during the correlation-regression analysis. The study showed that two indicators exert the most influence on the GRP: the fertility rate ($r=0.64$) and the number of unemployed ($r=0,74$). The coefficients of determination R^2 are 0,4096 and 0,5476 respectively. This means that the change of GRP by 41% due to the change in birth-rate and 59% - the influence of other unaccounted in the model factors. Change of GRP by 55% due to the change in the number of unemployed and 45% - the influence of other unaccounted in the model factors. The analysis of the elasticity coefficients confirms the revealed regularity.

Thus, the socio-economic policy in the Novgorod region, aimed at increasing the rate of economic growth, should be directed at increasing the birth rate through the development and implementation of target social programs to support large families and simplified form of implementation of these programs, as well as on the regulation of employment and unemployment.

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