

# Analysis of the implementation of the investment policy at the state level in the unstable geopolitics

## Análisis de la implementación de la política de inversión a nivel estatal en la geopolítica inestable

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#### ABSTRACT:

The situation in the economy is such that any significant and based on the increase of efficiency of production economic growth cannot be achieved without investment support. Intensification of investment activity at the present stage is a key condition for the transition of the Russian economy to sustainable growth. The management of the future production potential is the most important factor in the success of the company. Activities aimed at creating, changing the future productive capacity of the assets of the company and is an investment.

**Keywords:** impact of risk, investment, decision making, risk management.

#### RESUMEN:

La situación de la economía es tal que cualquier medida significativa y basada en el aumento de la eficiencia del crecimiento económico de la producción no puede lograrse sin el apoyo de la inversión. La intensificación de la actividad inversora en la etapa actual es una condición clave para la transición de la economía rusa al crecimiento sostenible. La gestión del futuro potencial de producción es el factor más importante en el éxito de la empresa. Actividades dirigidas a crear, cambiar la capacidad productiva futura de los activos de la empresa y es una inversión

**Palabras clave:** impacto del riesgo, inversión, toma de decisiones, gestión del riesgo

## 1. Introduction

The main feature of the centralized investment policy is the execution of mainly the hard-administrative methods of management.

Sources of investment in this case is formed by accumulating resources of various state agencies and centrally by long-term forecasting, and legal framework rigidly reglementary

the development of the investment process.

Based on these criteria of the current regional investment policies pursued by the majority of Russian regions, can be estimated as formalized and centralized. The role of state intervention is significant both in terms of its controlled investment, and the degree of regulation of this process. Any decision regarding a large investment of funds of the state or commercial enterprises, or otherwise controlled by governmental agencies (Akhmetshin et al., 2017).

Investment policy has its objectives, tasks and implementation mechanism.

Objectives of the investment policy depends on the current economic situation. The main objectives of the investment policy of the Russian Federation (Volkov, 2011):

- Creating an enabling environment conducive to increasing investment activity the most important sectors of the economy, attracting private domestic and foreign investments for reconstruction of enterprises;
- Government support critical life-supporting industries and the social sphere to improve the efficiency of capital investments.

The objectives of the investment policy may include: selecting and supporting the development of individual sectors of the economy; ensuring the competitiveness of domestic products; support the development of small and medium businesses; support the development of export industries; ensure balance in the development of all sectors of the economy, etc.

Investment policy is implemented using the well-established mechanism for its implementation, which includes: selection of reliable sources and methods of investment financing; the timing of implementation of the investment policy; the selection of the bodies responsible for its implementation; create the necessary legal and regulatory framework for the functioning of the investment market; creation of favourable conditions for attracting investments (Morozova et al., 2017).

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## **2. Literature review**

Issues of formation and realization, the search of ways of improvement of investment policy in the region in scientific literature much attention is paid. The analysis of investment processes in the region dedicated to the works of A.M. Margolin, V.V. Perkaya, V.G. Felzenbaum, B.A. Chub.

An important role in the disclosure of the topic played works in the field of development of regional economy V.N. Leksin, Yu.P. Alekseev, A.L. Gaponenko, in which the problems of development of investment sphere of the regions and possible solutions.

Issues of activation of investment activity and improve the investment climate covered in the works of J.M. Keynes, M. Friedman, L.I. Abalkin, E.M. Buchwald, S.Yu. Glazyev, R.I. Shniper, V.I. Kushlin, A.N. Folomeev.

The use of regional management to increase the investment attractiveness dedicated to the works of F. Kotler, A.M. Lavrov, A.S. Surnin, A.P. Pankruhin, T.M. Orlova, A.H. Tambiev, N.P. Ketova, G.A. Morozova, V.A. Maltsev.

However, existing works are not fully disclosed issues of methodology of management of development of regional investment policy based on comprehensive consideration of the process of management of investment activity in the region, practically, the methods of using marketing tools in the process of management of development of regional investment policy.

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## **3. Materials and methods**

The object of research is process of management of development of regional investment policy.

The subject of research is a set of economic, managerial and other relations arising in the process of management of development of regional investment policy.

Theoretical and methodological basis of research are scientific developments of domestic and foreign scientists, revealing of laws of functioning of an investment complex of the economy, especially the formation of investment policy in the region; programs, concepts, normative legal acts of state legislative and Executive bodies, official statistics; the applied research on this issue.

In carrying out the work using a systematic approach, method of scenarios, methods of economic and statistical analysis.

New scientific results obtained by the authors in the study are that resolved important economic task of significant importance for practice is complemented by a conceptual framework of development management of regional investment policy, determines directions and methods of implementation.

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## **4. Discussion**

### **4.1. Main objectives of the investment policy of the state**

Objectives of the investment policy depends on the set goal and the current economic situation. These can include tasks such as:

- choice and support the development of individual sectors of the economy;
- implementation of the program of conversion of military-industrial complex;
- ensuring the competitiveness of domestic products;
- support the development of small and medium enterprises and export industries;
- of achieving a balanced development of all sectors of the Russian economy;
- restructuring of the coal industry;
- the implementation of the program of housing construction in the country, particularly for the military, and others.

In addition, the tasks and methods of the investment policy change in different phases of the business cycle (Karepova et al., 2015). In the phase of crisis and depression, the purpose of the investment policy is the preservation, strengthening and support of the most viable and promising part of fixed capital that is able to produce competitive products.

The main forms of state support implementation of investment projects include:

- direct and mixed financing of investment;
- the provision of state guarantees to private investors;
- the targeted depreciation, tax and credit benefits;
- formation of the organizational - legal conditions stimulating the growth of investment activity.

In phases of revival and rise of a dominated strategy of a breakthrough, there comes the time of the investment boom, and the challenge is in the timely and comprehensive implementation of investment and innovation, contributing to the development of new and expanding old positions in the market.

In the phase of stable development of the state support is minimal, innovation and investment are implemented by the conventional market in accordance with the adopted strategy at the micro level.

Developed and adopted an investment policy cannot be made without a clear mechanism for its implementation. It typically should include:

- selection of reliable sources and methods of financing investments;
- timing and selection of the bodies responsible for the implementation of the investment policy;
- the formation of the necessary legal framework for the functioning of the investment market;
- the creation of favorable conditions for attracting investment (Glazyev, 2007).

Today, the Russian investment policy, one of the components of the state economic policy is developed and implemented in conditions of relative macroeconomic stability, stable

exchange rate and projected inflation.

The main objective of the investment policy of the Russian Federation is creation of favorable conditions for all economic actors to enhance the investment activity for the purpose of economic growth, improve production efficiency and solving social problems (Folomeev & Revazov, 2007; Valentinovich Bogoviz, Grigor'evna Vukovich & Stroiteleva, 2013).

The effectiveness of the investment policy is an indicator of the stability of the economic system and reflects the level of efficiency of material production. Currently, the investment policy of Russia does not bring tangible positive results in terms of revival of the investment process, attracting investors and strengthening investment activity (Dolan & Lindsay, 2006).

Investment Express a wide range of economic relations. They are available in different forms. Investments are cash funds, Bank deposits, securities, technology, machinery, equipment, licenses, patents, including trademarks, loans, and property and non-property rights, including intellectual property.

Depending on the operated values there are three types of investments: real, financial and intellectual.

Real investments include investments in tangible assets (physical capital: buildings, equipment, inventory, etc.) and intangible assets (patents, licenses, know-how, etc.).

Under the financial investment refers to investments in securities (shares, promissory notes, bonds, etc.), target Bank deposits, deposits, etc.

Intellectual investments understand investment in the creative potential of society, the intellectual property arising from copyright, and patent law.

The nature of participation in investment there are direct and indirect and portfolio investments.

Under direct investment refers to direct participation of the investor in choosing the investment object and the investment without intermediaries.

Under indirect investments understanding of investing through intermediaries. For example, purchasing entities investment certificates of the investment Fund, which allocates funds received in the investment, at its discretion, involved in the management and distributes part of the profits among the customers (Novikov et al., 2016).

Portfolio investments are capital investments in various securities. Investments into reproduction of fixed assets carried out in the form of capital investments. This is just one of the types of investment resources allocated for the creation of new, modernization, expansion and reconstruction of existing fixed assets of industrial and non-industrial. Investments addition of fixed assets can be invested in revolving funds, and various financial assets and certain types of intangible assets.

Capital investments vary in purpose, sectoral and territorial direction, the nature of reproduction, the technological structure and sources of funding.

The industry structure is characterized by the distribution of capital investments between sectors of the economy. Territorial structure characterizes the ratio of capital investments by regions of the country.

Technological structure – the ratio of the share of capital investments allocated for construction and Assembly works, equipment, design and survey work, other works and costs.

The reproductive structure of fixed assets characterizes the distribution of capital investments between different types of reproduction: new construction, reconstruction, expansion, technical re-equipment of existing enterprises.

Under Directive planning, the volume and structure of capital investments was formed centrally. In market conditions the main regulator of the volume and structure of investment market. In addition to his capital investment in the private sector of the economy and the social sphere (infrastructure, science, ecology, etc.) are regulated by the government.

Investment activity can be defined as a set of practical actions for the implementation of

various types of investments (Zhdanov, 2016).

## **4.2. Components of the investment climate of the country**

The investment policy of any Federal state is based on the interaction of Federation and its subjects, their equal property and financial responsibility for their decisions and commitments, promotes on the basis of a stable, predictable, but sufficiently flexible legal norms for the formation of favorable conditions, causing producers a stable demand for investment. These General principles are not well implemented in the Russian Federation (Kretinin, Omarova & Tchaikovskaya, 2012).

The uncertainty in the relationship between authorities of the Russian Federation and its subjects in subjects of joint conducting, including investment policy, is one of the important obstacles to overcoming of investment recession. As a result, the main instrument of state influence on regional development in the considered area are not legislative acts, decrees and regulations for individual regions and constituent entities of the Federation that do not contain accurate economic criteria.

Accordingly, by the end of 90-ies there is an urgent need for a typology of subjects of the Russian Federation on a new basis. Management reform of the Federal relations called to serve, created on the initiative of the President of the Russian Federation Federal district (Malsshukova, 2011).

Federal districts are a new level of territorial unit. Their creation was preceded by a voluntary Association of subjects of Federation associations of economic interaction, which was 8 ("North-West", "Urals", "Siberian Agreement", etc.). However, the boundaries of the Association and the Federal districts are not the same. So, the Association "North-West" part of Kirov oblast, which is in the North-Western Federal district. Thus, in modern Russia the three-level territorial structure: the district (7 districts), district (11 economic areas), subject (89 subjects).

Known regional differences in the observance of the Federal legislation and the role of administrations of subjects of Federation in shaping the regional business environment. Therefore, the connection in different managed regions in the same Federal district, the mechanical sum of their volume economic indicators distorts the natural characteristics of regional development, generate statistical structural distortion.

Original before the Federal districts were set the main task, the essence of which is to control compliance of the regional legislation Federal. But after a short period of time it became apparent that the only this does not exhaust the functions of the districts. Probably, with the consolidation of districts, their functions are expanded. However, we are not talking about the substitution of subjects of the Federation.

Thus, for the first few years of the existence of the Federal districts spoke about their positive role in improving regional investment environment and investment climate of the Russian Federation as a whole.

One of the fundamental components of the investment climate of the country is, as has been established above, is regulated by the regional investment policy. A Central aspect of the regional investment policy of a Federal state is the legal definition of sources of financing investments at the Federal and regional levels. In Russia, these sources at the regional level is not clearly defined, primarily because of the lack of a stable tax base (Neshitoy, 2015).

## **4.3. Analysis of regulation of investment activity in Russia**

The largest scale reduction of investment reached in May 2015 (24.8% of the corresponding period last year). October began slowing the fall: in October, investment in fixed capital decreased by 13.8% in November and 11.9% in December and by 4.9% compared to the same period last year. Overall for the year 2016 investments decreased by 16.2%.

The uncertainty in the real estate market, and limited financial resources led to the freezing of most of the planned projects. One of the main trends of 2015 was the curtailment of

construction works on objects of industrial purpose, works by the form activity "construction" fell by 16%, while residential construction decreased for the year only 6.7%. In the structure of investment without small businesses the share of expenditures for construction of buildings and structures increased to 55.8% (compared to 51.7% in 2015) and reduced the proportion of investment in housing to 6% (against 7.4%).

**Table 1**  
Specific structure of fixed capital investment, %.

<b>Indicators</b>	<b>2015</b>	<b>2016</b>
Housings	7,5	6
Buildings (excluding residential) and constructions	51,7	55,8
Machines, equipment, vehicles	33,4	31,2
Other	7,4	7

Source: Prepared by the authors.

Continued (Table 1) the decline in the share of spending on machinery, equipment and vehicles (31.2% against 33.4%), while investment in imported machinery, equipment and vehicles declined to a lesser extent, and their share increased to 20.7% compared to 20% in 2015. Against this background, sharply reduced domestic production of investment goods (volume of engineering production in 2016 fell by 32.3%, other non-metallic mineral products – 24,8%).

According to the data about the investment activities of large and medium-sized organizations, nearly 30% reduction in capital investment (table 2) due to the decline in investment in the construction industry, nearly 20% in the high-tech complex. At the same time increased investments in fixed capital in the fuel and energy complex: slightly decreased investments in oil and gas production (less than 10%), energy – 0.2% (including investments in production of electricity increased by 33.5%) and 36.8% had increased investment in production of petroleum products, more than 53% in pipeline transport.

This was facilitated by the resources, accumulated in the pre-crisis period and the increase in world raw material prices observed during 2016. Despite the improvement in the external economic environment, due to the low level of demand for goods of intermediate consumption for other raw material sectors have witnessed a decline in investment in fixed capital by more than 25 percent. The level of investment activity close to the current average in Economics, was typical of the education, health and social services.

**Table 2**  
Contribution to the growth of investment in fixed capital, %.

<b>Indicators</b>	<b>2015</b>	<b>2016</b>
Total	8,6	-17,5
Agricultural industrial complex	-0,5	-1,6
Woodworking complex	0,3	-0,5
Metallurgical sector	0,6	-1,4
Chemical complex	0	-0,5

Machine-building complex	0,4	-0,7
Communication	0	-1,4
Fuel and energy complex	2,1	2,6
Trade and repair	0,2	-0,7
Transport	3,4	-2,5
Building complex	1,7	-5
Education, healthcare	0,3	-1
Other	0,1	-4,9

Source: Prepared by the authors.

In 2016, investments in fixed assets were financed financially from budget funds, investments from the federal budget increased by 21.9% (Table 3). This allowed to mitigate the negative consequences of the reduction of investments from the profits of organizations and from loans. The ratio of own and attracted funds is quite significantly differentiated by industry and industry. In the sphere of education and health, the main sources of investment, as before, are budgetary funds.

In highly profitable complexes, such as fuel and energy, own funds account for more than 60% of investment costs for the reproduction of fixed assets. To date, the level of profitability in export-oriented sectors has approached the pre-crisis sectors, which may in the future affect the expansion of investment demand.

**Table 3**  
Structure of sources of financing of investment in fixed assets, %.

<b>Indicators</b>	<b>2015</b>	<b>2016</b>
Own funds	39,5	36,3
Profit	18,5	14,8
Depreciation	17,3	18,7
Involved funds	60,5	63,7
Budget resources	20,9	21,5
Bank loans	11,8	9,4

Source: Prepared by the authors.

The amount of investment depends largely on the condition of fixed assets. In 2015, the rate of renewal of fixed assets in the whole economy amounted to 4.4%. Relatively favorable is the situation for the organizations financial activities (9.6 percent), trade and repairs (8,6%), mining and manufacturing (7.1% and 7.0%, respectively). When a low value of the retirement rate of 1% (in 2011, 2012 and 2015), the introduction of new fixed assets has reduced the degree of wear from 46.3% at the beginning of 2008 to 45.3% at the beginning of 2016. The proportion of completely worn-out fixed assets of commercial organizations

(excluding small businesses) increased from 12.9% at end 2012 to 13.1% at the end of 2015. The accumulated mass of worn and obsolete fixed assets impedes innovative development of the economy and the competitiveness of domestic products (Vakulenko, Egorov, & Proskulikova, 2015).

The crisis decreased the level of capacity utilization. While there will remain the possibility of increasing production volumes by increasing the load level, the dynamics of investments will follow the dynamics of final demand. In the future sources of sustainable economic growth should be the growth of fixed capital investment and renewal of fixed assets.

Simultaneously, it is necessary to increase the innovative orientation of the investment, which will provide technological modernization of the economy.

According to the Federal state statistics service, investments in fixed capital in Russia in January 2015 amounted to 319.2 billion rubles. This means a reduction of 8.7% compared to the same period last year. In January of last year this indicator showed a decline by 17.6% (compared to January 2016). Looks much more significant drop in the volume of investment on a monthly comparison in January this year they were on 72,6%, or 2.7 times less than in December last. However, as shown by calculations of Ministry of economic development of the Russian Federation, with the exception of seasonal and calendar factors, in January, the decline compared to December was minus 1.5%.

So, investment in Russia in 2016 declined by 16.2%, the largest scale reduction of investment reached in May 2016 – at 24.8% to the corresponding period last year. On the Bank of Russia lowered the refinancing rate 10 times that have made a positive impact on investment activity.

Consistently funded investment in fixed capital at the expense of budgetary funds, investments at the expense of the Federal budget has increased by 21.9%. In January 2015 investments in fixed assets amounted to 319.2 billion rubles.

This means a reduction of 8.7% compared with the year 2016. The reduction in investment activity in January of this year was largely secured by the reduction of scope of works by the form activity “construction” – by 10.6% compared to January 2016.

#### **4.4. Assessment of the investment situation in the Russian Federation**

Main indicators of investment activity are the “fixed capital Investment” and “Investment from abroad” (Yudanov, 2006).

The slowdown in economic growth rates changed the situation in the investment sector. For 2015, there is a gradual slowdown in investment 123,6% in the 1st quarter to 117.4% in the 2nd quarter and 111,78% in the 3rd quarter. In January-September, investments in fixed capital increased by 13.1% against a growth of 21.3% in the same period of 2012 amid the financial crisis in November 2015 registered a decline of investment in fixed capital by 0.9% in December and 7.5% compared to the corresponding months of 2012, resulting In Q4 for the first time since 2000 the pace of investment growth moved to negative values and 97.7% compared to the same period of the previous year.

Characteristic of 2015 has been rapid growth in the construction of industrial and infrastructure projects amid a sharp slowdown in the pace of total area of residential buildings. For January-September 2015 with a total increase in construction work and a 14.5% increase in inputs residential area was 4.0 percent, respectively, 18.1% and 30.9% in the same period of the previous year. The slowdown in the 4th quarter of 2015 the pace of construction works to 103.8% vs 118.2% compared to Q4 2012 was due to stabilization of the volume of living space in November 2015. and volumes of production construction in December 2015 at the level of the similar period of 2012.

In the structure of investments in fixed capital share of investments in construction of dwelling units for 2015 remained at the level of the previous year and amounted to 7.5% while increasing the share of expenditures for construction of buildings and structures is 2.3 percentage points to 52.4%. The tendency to reduce the share of spending on machinery,



equipment: at the end of 2015, this share amounted to 33,0% and 2.8 percentage points lower than the previous year.

It should be noted that the most significant changes in the structure of investments by types of fixed assets occurred in Q4 2015 (Table 4).

**Table 4**

Structure of investments in fixed capital by types of fixed assets in 2016, % to the total.

Indicators	January	September	October	November
Investments in fixed assets - total	100	100	100	100
Including by types of fixed assets of dwelling	7,5	7,5	7,6	7,3
Buildings and constructions	50,1	52,4	51,3	54,2
Machinery and equipment, vehicles	34,8	33,0	33,6	32,0
Other	7,6	7,1	7,5	6,5

Source: Prepared by the authors.

Increased imports of machinery and equipment while restrained pace of development of domestic engineering regarding the dynamics of the investment expenditures and characteristics of reproduction of fixed capital. Investments for purchase of import machinery, equipment, vehicles (without small business entities and parameters of informal activities) in 2015 amounted to 414,1 billion rubles, or about 20.0% of total investments in machinery, equipment, transport vehicles versus 17.8% in 2012.

In January-September 2015 at the expense of budget funds were financed 658,2 billion rubles of investments in fixed capital, which amounted to 16.8% of total investments in fixed capital in the economy, including Federal funds and 10.0%. In October-December 2015 with an absolute reduction in the investment volume compared with the same period of the previous year the increase in volumes and the share of the Federal budget funds in the sources of financing investments in fixed capital was one of the conditions to mitigate the negative effects of the sharp limitations of enterprises own funds. In the 4th quarter of 2016 at the expense of the Federal budget funded 295,5 billion rubles of investments into fixed capital against 214,9 billion rubles in the first 9 months of the same year. (Table 5).

**Table 5**

Structure of investments in fixed capital on financing sources, % to the total of 2016 year.

Indicators	January	September	October	November
Investments in fixed assets – total	100	100	100	100
Including by sources of investment	40.4	40.0	42.8	35.8
Own funds from them	19.4	18.6	20.1	16.1
Profit	59,6	60,0	57,2	64,7
Raised funds from them	10,4	11,1	11,0	11,0

Bank loans	1,7	2,4	1,7	3,7
Including foreign banks	7,1	6,5	6,8	6,1
Borrowed funds of other organizations	21,5	21,0	16,8	28,1
Budget resources	8,3	8,1	5,5	12,6
Of the Federal Budget	11,7	10,4	10,0	13,7
Budgets of the subjects of the Russian Federation and local budgets	20,1	21,1	22,3	19,1
Other	3,7	3,3	3,5	2,9
Of these, funds received for equity participation in construction				
Including funds of the population	1,5	1,5	1,7	1,0
Of the total volume of investment in fixed assets, investments from abroad	4,3	4,6	5,2	3,7

At the end of 2015 introduced 371 objects, while 301 building at full capacity, and 70 objects made partial commissioning of facilities.

For 2015, the List of construction sights and objects was amended, in which the total amount of budget allocations envisaged for financing FTIP (Federal Targeted Investment Program) in 2015 amounted to 533,1 billion rubles against initially envisaged, funds of the Federal budget in the amount 517,7 billion rubles the budget allocations envisaged for construction of objects of capital construction of state ownership of the Russian Federation, in 2015 increased compared with 2012 to 85.2 billion rubles, or 19.0%. The increase of budgetary allocations is concentrated almost entirely in the software part of the FTIP (Bogoviz Alexei, Vukovic Galina & Stroiteleva Tamara, 2013).

In the framework of the Federal target programs funding provided 289,5 billion rubles, the objects of extracurricular part – of 130.7 billion rubles, the Volume of funds envisaged for financing of special works included in the state defense order amounts to 112.9 billion rubles.

In 2015, the funding FTIP excluding construction sights and objects included in state defense order amounted to 286,4 ml billion, or 73.1% of the annual limit.

According to the reported data of Federal State Statistics Service, construction projects and facilities FTIP, excluding construction sights and objects included in state defense order, financing of the annual limit of state capital investments made 286,4 ml billion rubles, including at the expense of means of budgets of subjects of the Russian Federation and other sources of financing is 49.7 billion rubles of State, customers in 2008 used 285,9 billion rubles of state capital investments or 63.7% of the annual limit of funds envisaged for their construction. In Russia on average in 2015. was used 85,1% of the total volume of financed funds at the expense of all sources of funding.

Significantly higher than the construction sites and objects for the state needs financed by an annual limit of state capital investments in the production (87,1%) and specific complexes (75,7%), and below average social complex (57,1%). The level of utilization of funds on various complexes are significantly differentiated. Note that the level of utilization

of funds in the complex is significantly below average, which is associated with the financing of a number of new objects included in the 4th quarter of 2016 to the List of construction sights and objects. (Table 6).

**Table 6**  
The facilities envisaged by the targeted investment program.

<b>Indicators</b>	<b>Number of objects</b>	<b>Introduced in January-July, 2015</b>	<b>The limit of state capital investments, billion rubles</b>	<b>Funded from the Federal budget, billion rubles</b>	<b>Used investment at the expense of all financing sources</b>
Total	2801	371	448,9	286,4	285,9
Transport complex	418	36	152,9	131,4	123,7
Agricultural business	462	75	13,3	8,1	8,7
Special complex	210	12	92,7	50,0	38,4
Social complex	1611	236	179,9	89,5	107,0
Other objects	100	12	10,1	7,4	8,0

Source: Prepared by the authors.

Activation of the investment policy of regions in the conditions of market relations in Russia caused by the implementation of the policy of decentralization of the investment process, the attempts of regions to overcome the imperfection of the Federal investment policy and investment legislation, to create a more favorable climate, the inflow of investment into regions. In addition to the positive effects of activation of the investment policy of the regions, a number of problems related to the deepening of inter-regional contradictions: the differentiation of the investment environment, a variety of forms and methods of stimulation of investment, the lack of unified schemes for promotion of projects. The solution of these problems requires consideration when formulating investment policies for macroeconomic and regional aspects, coordination of interests of the Federal center and regions, their focus on achieving overall economic results.

## 5. Conclusions

The investment policy plays an important role in the process of socio-economic and political development of Russia. The influx of investment in the economy creates favorable conditions for the development of industry, science-intensive sectors of the economy. Investment performance directly affects the stability of the political system and plays a key role in the process of economic modernization of Russia.

Successful investment activity is a necessary condition for sustainable and stable economic growth.

Currently, the investment policy of Russia is experiencing not the best times, one cannot argue that Western sanctions have had on Russia's investment climate a material adverse

effect. In some industries, such as, for example, the banking sector, sanctions against financial institutions indeed led to a rise in investment risks, however, can hardly be said that the risks of investment in the network of food supermarkets of Russia have considerably changed as a result of the actions of Western politicians.

In addition, as a result of sanctions Russia may intensify measures to maintain domestic production in some industries, such as agriculture and electronics. The investment climate in this industry, thus, on the contrary, can show signs of improvement in the imposition of sanctions. The positive thing in this whole situation is, first, that external pressure will encourage the Russian government to really work for the economy. Second, the existing conditions are removed from the market of weak players, so a stable company can strengthen its position.

Along with the improvement of the formation of Federal target programs in the sphere of science and technologies will continue development of system of measures of economic and other incentives for investors, particularly enterprises of the material sphere and credit institutions, encouraging them to increase investment in research and innovation process.

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