

# Sustainable Development of Regions in Bulgaria by Instruments of Regional Policy

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# **Abstract**

The concept of sustainable development dates back to the 70 - ies of the 20th century, focusing on the relationship between economics and environment.

Sustainable development is a process of change in which resource use, allocation of investments, the orientation of technological and institutional development in general harmony and contribute both to preserve the resource base and to create added value and sustainability of the intervention of change effects.

Key words: sustainable development, regions, regional policy

## **Introduction**:

The purpose of this paper is to reflect how a regional policy instruments can achieve sustainable regional development in Bulgaria and in this connection to provide a regional approach to growth and sustainable development ..

Scope of the study is regional policy in Bulgaria and its tools for influencing regional

#### **Summary:**

Regional policy is a system of strategies, approaches, methods and means of achieving regional development objectives of territorial units. Is performed based on principles, interests and needs. Is carried out through cooperation between local and central authorities. They carried out a series of legislative, executive, administrative and economic measures aimed at the general development of economic regions in space, urbanization and administrative - territorial units and systems. Objectivity and rezultativnostta regional policy is determined by the following factors:

- · Knowledge of the objective economic laws arising from market conditions
  - Local environmental, financial and human resources;
  - The existing production capacity;
  - The characteristics of the local population as life, culture, religion and others.
  - Infrastructure completeness.

Regional development can be interpreted as a process of achieving sustainable and balanced development by channeling resources, infrastructure construction and economic activities in certain areas [L. Vassileva, I.Georgiev and others. 2005; A. Apostolov, 2007]. Can be accomplished through:

- Creation and development of transnational, national and regional infrastructure;
- Creating a favorable regional and local inestitsionna environment;
- Use of local, national and regional resources;
- Improving the quality of human resources;
- Coordination of sectoral policies and actions;
- Participation of NGOs in policy development of regions
- Support and development of cooperation between public authorities, businesses and educational institutions to transfer knowledge and experience in managing regional and sustainable development.

Important role in the development of regional policy and strategy covers regional programming. It aims to develop regional programs, which is based on the assessment of resource potential in the region. The resource includes assessment of potential natural complex characteristics of the demographic profile of the region, assessing the intellectual resources available financial resources, and opportunities within the bodies of its management. Another point which should be addressed in preparing the regional program is to assess the potential of regional infrastructure. Attention is drawn to the technical infrastructure, social and productive infrastructures, as well as trends for their further development to improve the environment for development. Precisely the assessment of resource and infrastructure capacity is a prerequisite for adequate preparation of regional program strategy and policy development, and therefore can be used as a lever for sustainable



development of regions.

Important place in modern approaches and mechanisms of regional policy takes scientific - technical policy. It consists in the use of technology and the most - new developments in science, technology, education and training as a tool for management and development of the regions in Bulgaria. It is noted that more educational institutions include in its strategy to initiate opportunities for close cooperation with business and public sector in the direction of transfer of knowledge, innovative technologies and management approaches.

Another instrument of regional policy, which can achieve progress in the development of the region and the units it is the active involvement of foreign capital. As a favorable environment for the realization of this transfer of foreign capital are free economic zones.

No - less important instrument of regional policy for sustainable regional development is economic regionalization. It is expressed in differentiating the three groups of regions each with its own specific features and capabilities. In literature these regions are divided as:

Areas for development and planning;

Cross-border areas;

Areas of growth.

The first group includes a number of reasons backward areas, and they in turn are divided into less industrialized areas and depressed areas.

Poor industrialized areas are so-called underdeveloped rural areas that is held regional preferential policies and accelerated investment.

Depressed areas are areas of decline, they need to restructure the industry and other sectors through accelerated investment policy.

Border areas are usually regions located between two neighboring countries, such Rousse - Giurgiu, Elhovo - Edirne and others.

Growth Areas are areas catalyst for overall economic stimulus. These include highly urbanized industrial areas, which should be a policy of restrictions, prohibitions and economic restrictions. The structure of these regions in the country area can be represented by tabulated in Table 1. Such structure is important for assessing the impact of each region on the overall regional economic policy, both in Bulgaria and other European countries and allows you to select the appropriate set of tools and approaches to impact in order to achieve sustainable development.

Territorial and demographic separation of areas Table 1

8,3	35,9
6,1	9,7
6,3	5,3
24,3	12,2
45,9	30,4
	6,3

Data show that prevalent in Bulgaria are lagging rural areas and cross-border cooperation, which means that the state must prepare and implement a policy to stimulate investment and economic activity effect of the policy would be - expressed, positive synergy and multiplier, if applied levers are consistent with the territorial and demographic characteristics of the area, resources and infrastructure of its potential, which in terms of economic theory can be explained by the Law of comparative and absolute advantages [Minchev E. et al. 2006], but in terms of management with the principle of marginal compliance. [Nedelcheva N., 2011] In the context of the topic of this paper, the Law on comparative and absolute advantages can be interpreted as follows: the region and / or the State could benefit from alternative use potential, which have the most - low cost alternative ie most - small bunches. A principle of marginal line can be used in the sense that all the resources - natural, financial, human and material - material must be allocated in a manner providing the most - more return per unit of the resource. The original formulation presented can be found in the books of Adam Smith and Ronald Kay, and in much of the specialized economic and management literature.

Rayonirane.kato economic instrument of regional policy is considered by some authors [Vassileva L. I.Georgiev and others. 2005] as the basis for the regulation of regional development. It is scientific - practical character and is a dynamic process. It is considered one of the most - important methods for analyzing spatial patterns and regulation of regional development. Regionalization is a special type of classification scheme,



allowing to clarify the major territorial disparities, their causes and to identify ways to overcome them. Simple mechanism for smoothing regional disparities is a regional promotion through various methods and approaches to public policy. After examination of the problems that the subject of study in this paper for the purpose of this paper is an attempt to present an algorithm for achieving sustainable regional development through the instruments of regional economic policy.

## Algorithm for Sustainable Development

- 1.Identifitsirane the area by type, assessment and analysis of resources, infrastructure and its economic potential
  - 2. Preparation of a regional program taking into account the specifics of the region
  - 3. Construction comprehensive regional policy and strategy for sustainable development.
  - 4. Implement policy and regional development strategy.
- 5.Monitoring enclosed and control of the business, private and public sector, households and the region as a whole
- 6. In identifying deviations inefficiency and ineffectiveness of the measures to stimulate development of the region and take corrective action by re-analyzed all the steps and the resulting effects. In sluyaay neobhoimost of drafting a program and strategy.

Thus, the proposed algorithm is a recipe for regional development and reduce inequalities between them and the experience of the author to present a universal approach to the study that should result if applied to the precise search results. Through the author aims to show how just a few determined steps can achieve significant units for the region and result in it - a new state with a synergistic effect. As a conclusion, we note that spatial localization can be seen as a key factor for sustainable development of regions. In the literature [Vassileva L. I.Georgiev and others. 2005] is defined as the conformity between the requirements of the site and the realities of the environment.

#### **Conclusions:**

- 1.Rzvitieto regions in the country is determined not only by general economic policy, but also the ability to accurately identify the type of area and its territorial, demographic, infrastructural and socio economic profile and based on the specifics of the environment it can be made appropriate program strategy and regional development policy. This will be achieved most small opportunity costs and maximize the competitive advantages of the region.
- 2.Politikata development of different regions should be developed and implemented so that it fits into the overall policy and strategy for regional development and EU regional policy idea is to minimize the differences and inequalities in areas not only national but also at European level. This implies in deprived areas and those declining to apply expansionary (stimulating) investment and economic policy, and in areas of high growth and urbanization a restrictive policy.
- 3.Nablyudeniyata in some regions in Bulgaria show that this requirement is not observed, which creates prerequisites for depopulation and decline in many areas. That is why in the statement of proposed development is key to achieving sustainable development of regions in the country. It can also be used for development of business units in a region.

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