

## Features of Socio-Economic Development of the Republic of Tatarstan and Conditions for the Implementation of the Investment and Cluster Policies of the Region

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### ABSTRACT

The relevance of the problems studied in this article due to the fact, that the conversion of business conditions in modern markets environment imposed the need for the development of new long-term engagement forms between subjects of the regional economy, aimed at their effective functioning. This is primarily due to the unevenness in this process and the weakness of the generative force of the regional base. There is a need for developing directions of a holistic and long-term impact on the investment processes in the region. All the foregoing necessitates a complex analyzing, a socio-economic analyzing of the Republic of Tatarstan and identifying conditions of realization of the investment and cluster policies. The purpose of the article consists in the identification of the preconditions for the realization of the investment and cluster policies of the region based on an analysis of the socio-economic dynamic of the development of the Republic of Tatarstan. The leading method for the researching of this issue is the statistical method, which is a method of the quantitative analysis of set of homogeneous facts that lead to the conversion of quantitative modifications to qualitative. In this article is presented a characteristic of socio-economic development of the Republic of Tatarstan for the period 2011-2015, trends in the indicators characterizing the investment activity in the region. Also here are considered the main clusters of the Republic, score of the investment activity of the region; conditions for the realization of the investment and cluster policies of the region are identified through the analyze. Sound methods of the need to cluster activation in the region are made on findings of the research. Materials of the article are providing the practical value for specialists involved in monitoring process of conditions of realization of the investment and cluster policies in the region.

### KEYWORDS

Region, investment and cluster policies, socio-economic development

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## Introduction

### *Relevance of the Problem*

The improving of the competitive benefits of the economic in the region is possible by activation of the investment and cluster policies of the region, or so-called industry cluster. Even though economical processes are exposed to globalization and expanding the frontiers in all countries, territorial localization of industry that provides the concentration of enterprises in one place, nevertheless, provides specific advantages.

In Russia, it has been said about the need for clusters in the Concept of long-term socio-economic development of the Russian Federation for the period up to 2020 (the Concept, 2008), which focused on six directions of transition to innovative type of economic development. One aspect is «the emergence of new centers of socio-economic development, based on development of energetic and transport infrastructure, and the emergence of regional industrial nets of clusters, implementing a competitive potential of territories». The Concept was approved by a Government regulation of the Russian Federation of November 17, 2008. (N-1662-r). In the Concept were considered different variants (scenarios) of Russian development. In the Republic of Tatarstan there is a program «The development and deployment of a productive force of the Republic of Tatarstan based on clusters approach up to 2020, and for the period up to 2030» (Program, 2008). It is also considered there an inertial and innovative variant of republic development. At the same time, the priority task of the Program is «to justify the formation and to determine the extent of competitive sector clusters in Russia and worldwide». According to the Program, the cluster approach will make it possible to create new growth points in the republic. The Program was approved by the Cabinet Decision of the Republic of Tatarstan N763 of October 22, 2008 (Resolution, 2008).

The investment policy review of the region was presented in works of A.Sh. Khasanova & G.M. Kvon (2014), N.M. Yakupova & S.J. Vakulyuk (2013), G.M. Kvon (2012, 2015), L.I. Fatykhova (2010, 2013), A.V. Puris (2015), M. Porter (1993) was one of the first who applied the technical term «cluster» to economic processes. The clusters organization based on the best using of resources would enhance the investment attractiveness of the region. The clusters approach to development of the region was presented in works of authors, who reflected the list of the main clusters of the region (Khasanova, Kvon & Muhametzyanova, 2015a), Kvon G.M. (2015, 2016). The strategic role of clusters in the formation and development of the region, and development of sectors, based on clusters interaction is presented in works of Yu.G. Lavrikova (2008), Yu.G. Lavrikova & S.N. Kotlyarov (2015). The innovative capacity building of the modern management system is reflected in works of V.B. Vaks (2011, 2015).

## Materials and methods

### *Prospects of the Research*

During the research, authors have solved the following tasks:

1) analyzing of leading indicators of socio-economic development of the Republic of Tatarstan for the period 2010-2015;

- 2) analyzing of the investment indicators of the Republic of Tatarstan for the period 2010-2015;
- 3) rating analysis of the Republic of Tatarstan for the period 2010-2015.
- 4) analysis of clusters, which are functioning in the Republic of Tatarstan.
- 5) conclusions on the realization of investment and cluster policies of the region.

### ***Theoretical and empirical research methods***

During the research were used different research methods:

- statistical methods;
- the method of periodization;
- the comparative method;
- retrospective method;
- methods of analysis and synthesis.

### ***Stages of the research***

A study of the problem was composed of three stages:

- the first phase was implemented a theoretical analysis of existed methodological approaches to justification of investment and cluster policies of the region, were allocated key indicators, with a view to characterizing of socio-economic development of the Republic of Tatarstan;
- in the second phase was analyzed the socio-economic development of the Republic of Tatarstan, based on selected indicators for the period 2011-2015. Indicators that characterize an investment activity of the republic were considered; the main clusters of republic were outlined;
- in the third phase were considered the main directions to realization of investment and cluster policies of the region, the results were summarized, were made the informed conclusions.

## **Results**

### ***Features of socio-economic development of the Republic of Tatarstan***

Let us consider a socio-economic situation in the Republic of Tatarstan with a view to determining the feasibility and further prospects of the investment development.

In terms of geographical location, the republic has an exceptionally advantageous of economical-geographical location. The republic is situated close to the center of economically developed the Volga Federal District, between industrial regions of the Center and the Urals. The Region has the favorable situation towards important material base of the Ural and Siberia, towards agricultural areas of the Volga Region.

The Republic of Tatarstan consists of areas and cities of national significance, the Constitution of the Republic of Tatarstan establishes it list. Areas consists of cities of regional significance, urban villages and rural population centers with their subordinate territories, which constitute the first level in the system of governmental organization. At present, there are 43 municipal districts and 2 city districts in the republic (Official statistics, 2016).



According to preliminary estimates, the total population of the Republic of Tatarstan is estimated at 3 868 730 for year-end 2015. (Official statistics, 2016). The annual average population of the Republic in 2013 was 3 830 134, in accordance with table 1.

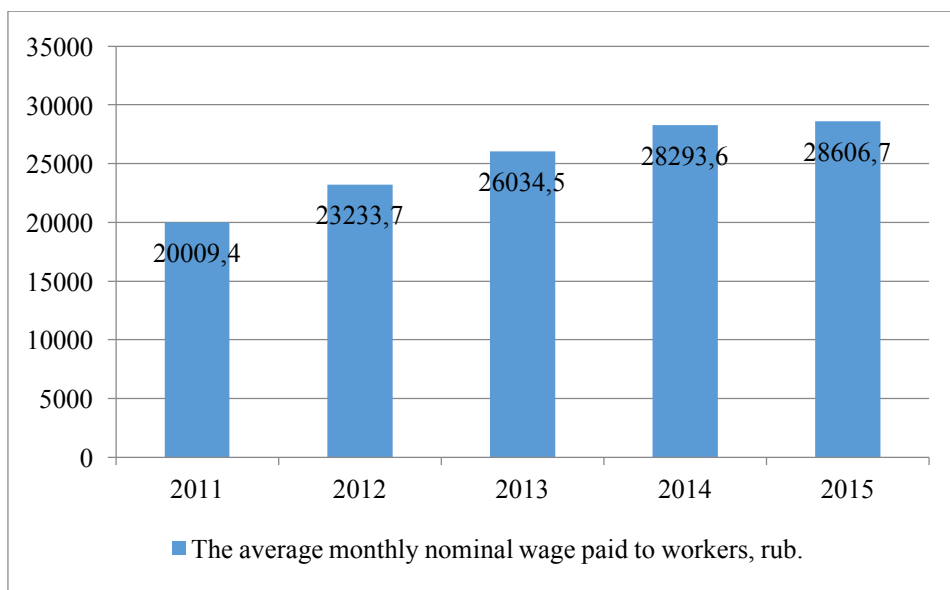
**Table 1.** The main indicators of population of the Republic of Tatarstan for 2011-2015.

Indicators	2011	2012	2013	2014	2015
Population (end of year), thousand people	3 803,2	3 822	3 838,2	3 855	3 868
Natural increase of the population, persons	3 706	9 063	10 266	9 559	10 416
Average annual number of employed in the economy, thousand people	1 819,9	1 821,8	1 817,7	1 812,2	1 808,1

From 2011 to 2015 the population of the Republic of Tatarstan was increased by 64,8 thousand. The natural increase of population of the republic for the last 5 years was increased from 3 706 in 2011 to 10 416 in 2015.

The indicator of annual average number of employed in economic persons would characterize the amount of employed persons in the economic sector of the republic. This parameter for the last five years showed an increase only in the interim between 2011 and 2012. The rest of the time the annual average number of employed in economic persons of the Republic of Tatarstan was decreased, dropping to 0,75 % since 2012.

The wages of workers of the region is another indicator of socio-economic development of the region and an important parameter for an evaluation of standards of living. The average monthly wage of employees, worked in enterprises and organizations of the Republic of Tatarstan measured 28 606,7 rub. for year-end 2015 and increased by 43% to the level of year-end 2015, it shows in figure 1.



**Figure 1.** The average monthly nominal wage paid to workers for 2011-2015 (in rubles).

But such strong growth of wages being gradually eroded during the last 5 years. The average monthly wage of employees, worked in enterprises and organizations of the republic was increased only by 1% during the last year. In view of the increased inflation, which amounted to 12,9%, during year 2015, everything points to a decrease in real income among the population of the republic.

Analysis of the development prospects of the labor market was presented in previously published work of authors (Khasanova, Kvon & Muhametzyanova, 2015b).

The Republic of Tatarstan is one of the most important mineral and raw material regions in the Russian Federation. Oil, natural bitumen, liquid forms of non-metallic minerals (sand and gravel materials, sand, brick clay, bentonite and expanded clay, plaster, zeolite marl, carbonate rocks) define values of its subsoil.

The main mineral resource of the Republic of Tatarstan is oil. On the base of its stock created and maintaining powerful oil-producing and petrochemical complexes, being formed a modern refinery industry. Oil-producing complexes are the main budget forming economic sector. It accounts more than a quarter of Gross Regional Product. The main currency flow, with an appreciable effect on socio-economic development of the Republic connected with oil producing.

The Republic of Tatarstan has an extensive transport network, including all types of land, air and water transport.

By virtue of the territorial specificity of the republic and predominantly border landed railway, increased role belongs to road transport and road infrastructure.

Over the past twenty years, there is a strengthening of industrial vector of the republic development. It is based on manufacturing activity, as reflected in the structure of Gross Regional Product. Resource extraction, manufacturing activity, trading, agriculture, building and service delivery contribute to



development of the Republic of Tatarstan. During this period, a number of new modern industrial production and active enterprises have been technically upgraded.

Economic development of the Republic of Tatarstan up to 2013 was characterized by stable trend of industry and standards of living, with the result that has increased the industrial production, population's real income, has decreased the percentage of population with the on come below the subsistence level.

However, in recent years, a period of dynamic expansion turned into the significant slowdown. The Gross Regional Product, which is an integrative indicator of economic activity of the region, characterizing the producing process of final consumption goods and services, is calculated at current prices (the nominal GRP value) and comparable prices (real GRP value). The Gross Regional Product has kept its growth during last five years. However the index of actual volume of Gross Regional Product, which is characterized change in the amount of Gross Regional Product in the current period in compare with basic period, demonstrated the reduction in growth to less 100% in 2015, in accordance with Table 2. This index shows how has grown GRP volume, i.e. the impact of price changes is excluded.

**Table 2.** Volume and changes of Gross Regional Product of the Republic of Tatarstan for 2011-2015.

Indicators	2011	2012	2013	2014	2015
Gross regional product in basis prices, million rubles	1 305 947	1 437 001	1 551 472	1 671 397	1 788 579
The index of physical volume of gross regional product at basic prices	105,7	105,5	102,4	102,1	99,60%
The gross regional product per capita, rubles	344 092,5	376 907,1	405 069,9	434 509,1	462 316,8

A general slowdown in economic, caused by low prices on commodities, especially on oil, led to deceleration. Another reason for it was general tense foreign economic situation.

A sensitive indicator of socio-economic development of the region, in addition to GRB and Index of actual GRB volume, is the Gross Regional Product per capita. GBR per capita this is a total price of all goods and services, produced in the region divided by the permanent population of the region. According to the presented in Table 2 data you can see that GBRper capita in the Republic of Tatarstan has grown over the past five years on 118 224, 33 rub per person. However, it is worth mentioning that despite the apparent rise of this indicator, growth rates fell from 9,5% in 2012 to 6,3% in 2015. This reflects general confirmation of trend of slower growth and stagnation of the economy, due to unsteady conditions of its existence at the macro level.

It is noteworthy, that the growth rate of GRB in the Republic of Tatarstan in 2011-2015 remained higher as the general population, due to structural features of industrial complex of the republic.

Economic and industrial policy, undertaken during last three years in the Republic of Tatarstan, provides the base for the growth of the share of the real sector of the economy. However, it is early to talk about significant achievements in formation of innovative economy. In this context, it is more important to create institutional support structures and space-industrial formations (economic zones, clusters, networks).

According to Table 3, revenues of the consolidated budget of the Republic of Tatarstan, has positive pattern of growth since 2013. Since 2011 this indicator has grown on 26,6%. But it is more important to estimate the situation in region with objective analyses both income and expenses of the consolidated budget, and considering their result in the form of deficit or surplus budget.

There is no clear tendency of reducing or increasing of the budget deficit during the period under review. So if we consider the latest data, we can see that the consolidated budget of the Republic of Tatarstan has deficit of around 6451 million rub. This result is less than the same indicator of 5-years-ago period and less than last year indicator. But there is no visible trend, because since 2012 to 2014 deficit has grown on 79% and has decreased on 63% in the last year.

**Table 3.** Indicators of income and expenses of economic of the Republic of Tatarstan for the period 2011-2015 (million/rubles)

Indicators	2011	2012	2013.	2014	2015
Revenues					
Consolidated budget of the Republic of Tatarstan	191 505,4	210 724,7	208 335,2	216 813,6	242 485,6
Consolidated expenses of the budget of the Republic of Tatarstan	206 824,1	214 307,1	209 554,5	234 626,9	248 936,6
Surplus, deficit (-) of consolidated budget of the Republic of Tatarstan	-15 318,7	-3 582,4	-1 219,3	-17 813,3	-6 451

Increasing in borrowing by the budget credit lines according to the article «loans, received from the Russian Federation» is the main reason of dramatic fall of budget deficit. Increase in outstanding loans cannot be seen as negative factor, they are undertaken on 3-year period at the rate 0,1% per annum, that looks unimportant given the current inflation.

### **Brief description of the region's investment policies**

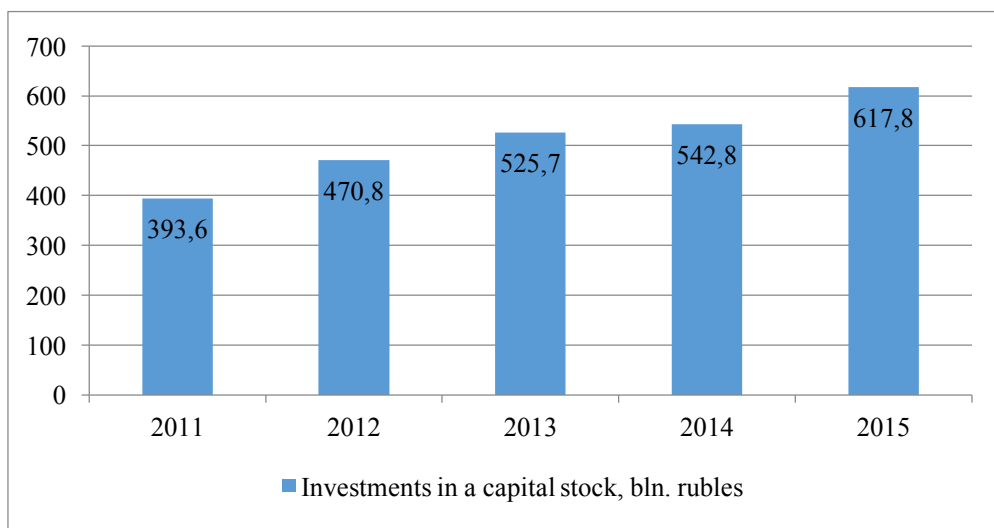
On the implementation of investment policy of the region, the special significance belongs to real investments. Investment in capital stock, which



dynamic is shown in figure 2, is the important indicator, characterizing trends in the development of the real sector of the regional economy.

According to the Figure 2, in 2015 on the development of economy and social sphere of the Republic of Tatarstan has been brought 617,8bln rubles of fixed investment. This is a maximum value of this indicator in last five years. The trend of investment increasing is going down due to outreach conditions of modern Russian economy.

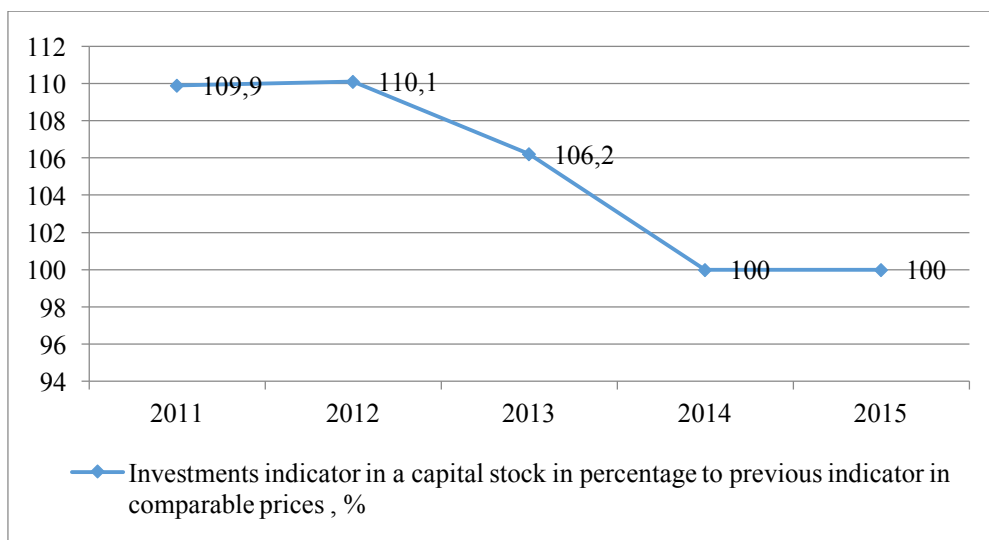
The "downward tendency" is confirmed by investment indicator in fixed assets as a percentage of the last year, calculated at comparable prices. Comparable prices – this is a price of a particular year or on a specific date. They are conditionally taken as a base when comparing production volume, sales volume and other economic indicators in monetary terms for each period.



**Figure 2.** Dynamics of investment in capital stock in 2011-2015

Using of comparative price prevents the impact of inflation on the dynamic of industrial value, returns, labor productivity indicator, capital productivity, i.e. on all indicators, that use changed valuation of industrial value. According to the Figure 3, investments in a capital stock in the Republic of Tatarstan, calculated at comparable prices, did not show an increase in 2014-2015.





**Figure 2.** Investments indicator in a capital stock in percentage to previous indicator in comparable prices in 2011-2015, %

For the period 2014-2015, investments indicator in a capital stock in percentage to previous indicator in comparable prices was equal to 100% in each of the last two years. This shows that there is no real growth of investments in the Republic of Tatarstan. This is largely due to adverse economic conditions in the Russian Federation.

Table 4 shows us dynamic of the Republic of Tatarstan in ratings of international rating agencies «Moody's» and «Fitch Ratings Ltd»

**Table 4.** Place of the Republic of Tatarstan in ratings of international rating agencies for the period 2009-2015.

Indicators	2009	2010	2011	2012	2013	2014	2015
Moody's	Ba1	Ba1	Ba1	Ba1	Ba1	Ba1	Ba2
Fitch Ratings Ltd	BBB-	BBB-	BBB-	BBB-	BBB	BBB	BBB-

According to the Table 4, we can see the estimate of the Republic of Tatarstan in ratings of international rating agencies «Moody's» and «Fitch Ratings Ltd» for the period 2009-2015. The trend on positive estimate of the republic by international rating agencies can be traced to 2014, when Russian economy, followed by economy of the republic of Tatarstan, felt the impact of low prices on energy sources and weakening national currencies. The last factor has been crucial in downgrade of rating of the republic in 2015. This was because all ratings took into account deterioration in the economic conjuncture in the country and growing contingent of foreign currency liabilities owing to recent sharp devaluation of the national currency.

In general, the level of socio-economic development of the Republic of Tatarstan can be described as rather high, in compare with other regions of the Russian Federation. But economic growth is restrained by macro level factors and conditions of unsteady economy. The population is growing and including



3 868 thousands of people. The unemployment rate is at low rate, but it tends to growing. The Gross Regional Product is growing and estimated in 1 788 579 bln. Rubles, but volume index of the Gross Regional Product is decreasing and estimated in 99,60% in 2015. Republic industry structure can be evaluated as differentiated, with a predominance of the mining sector.

Budgetary management can be described as balanced, with advisedly using of federal credit abilities due to adjusted and trusting relations with the federal center. Investments in a capital stock do not show the decline of indicators, but there is also no growing of comparable prices. The Republic of Tatarstan is characterized in international rating agencies as sufficiently creditworthy, but has the negative outlook, caused by unsteady conditions of Russian economy.

In view of the foregoing, one of the most important strategic aim for the Republic of Tatarstan is an increasing of investment appeal. The resolution of these issues will depend on the possibility of effective integration of the economy of the Republic in worldwide economic production and exchange system, which is rapidly changing in conditions of economic development.

### ***The implementation of cluster policy of the region***

The cluster concept for regional development become a key factor of practical research in the formation of economy activity, which showed a productivity in the global arena. The creation of this concept began in 1980 years. This concept have been able to unit advantages of some previously developed theories: ways to increase competition, institutionalism, technological and regional progress in the industry. The point of the theory is the ability to concentrate on different types of activity within the regional borders with a favorable climate for clusters. A Government Program «The economic development and innovative economy of the Republic of Tatarstan during the period 2014-2020» (Resolution, 2013) and a number of further programs are endorsed in the Republic.

The Subprogram «The improvement of state economic policy in the Republic of Tatarstan during the period 2014-2020» (Subprogram, 2013) presents the results of realization of clusters approach in the Republic during the period 2010-2012. Fold increasing of volumes of industry production, total investment and growth of innovative production shall be the results of this program realization to 2020.

In the Republic of Tatarstan were established the following clusters:

- chemical and oil-gas;
- energetic;
- machine-building;
- agro-industrial;
- biotechnological;
- pharmaceutical.

Fuel mining, production of petroleum products, activities related to the production and distribution of electricity, production of transport vehicles, chemical manufacturing are traditionally leading in our republic. Chemical and oil-gas cluster and machine-building cluster are the most relevant clusters for our republic.

Like any other cluster, these clusters are representations of complex structure, including a whole set of components: products producing and providing its regulated infrastructure. Cluster consists of independent legally binding companies, doing business in the relevant field, in the relationship and coordination, considering the objective needs of economy. Each cluster has its own development strategy, organized in accordance with the preliminary calculations with strictly defined roles of participants. The outcome indicators of cluster development should be defined.

With regard to chemical and oil-gas cluster of the Republic, (it is one of the biggest cluster in Russia), based on international practice, it can be highlighted the following clusters, according to their specialization (The main clusters, 2016):

— those that are based directly on the oil and gas mining, and geographically located close to the fields of natural resources. These include such companies as, JSC «Tatneft», JSC «TANEKO», JSC «TAIF-NK»;

— directed to produce petrochemical products: JSC «Nizhnekamskneftchim», JSC «Kazanorgsintez», JSK «Kazan Synthetic Rubber Plant»;

— directed at end-users: JSC «Tatneft-Neftehim», JSC «Nefis Kosmetiks», CJSC «KVART», residents of industrial parks «Kamskie Polyani», «M-7» and technopark «Khimgrad».

As mentioned above, the petrochemical cluster is the largest cluster; it employs more than 45 thousand people. The amount of annually produced added value is 1,5 billions of dollars. The development of the cluster can occur in any direction of this specialization.

The machine-building cluster of the Republic of Tatarstan could be attributed to cluster of industrial production equipment, specializing in oil production. It includes such companies -equipment manufacturers, as JSC «Almetyevsk factory «Radoipribor», JSC «Kazancompressormash», JSC «Vacuummash», JSC «ALNAS», JSC «PO «ELAZ». Such large companies as, JSC «Kazan Helicopter Factory» and JSC «KAPO of S.P. Gorbunov» are members of the Russian machine-building holdings «Helicopters of Russia» and JSC «United Aircraft Corporation».

Major trends of indicators of internal competitiveness of industries of the Republic of Tatarstan attest to positive dynamics of the effective use of capital and labor in most considered sectors.

The main recommendations to improve the competitive advantages of clusters of the Republic of Tatarstan are:

- for chemical and oil-gas sector – optimization of labor inputs;
- for textile cluster – optimization of general input for each element;
- for timber processing – optimization of labor inputs;
- for building materials cluster – optimization of other and material input;
- for machine-building cluster - optimization of labor input;
- for energetic cluster – optimization of material input.

In the Republic of Tatarstan over the years of cluster approach realization, was created the Kamsky innovative territorial-production cluster (The Kamsky cluster), which is defined as one of the main points of economic growth in the



Republic. The implementation of investment projects in the cluster will triple the industrial output and bring it to the level of two trillion rubles. The critical role in the economic development of Kamsky Cluster roles to a special economic zone of industrial type on the territory of the municipality «Yelabuga municipal district «Alabuga». It has 15 modern factories on its territory, investors have invested more than 86 billion rubles, were created more than 5 thousand workplaces. Here are producing high-tech production, focused primarily on import substitution, - autos, thermal insulation products, MDF, sheet glass, glass fiber and other. The Kamsky innovative territorial-production cluster in 2012 entered into a list of pilot innovation clusters, approved by Russian Government. Its development work is ongoing now.

To strengthen the competitive position of the Republic of Tatarstan is necessary to pursue an active policy in increasing the investment attractiveness of the republic for foreign investors, improving the efficiency of the processing industries of the regional economy.

Searching of the main directions of innovative development of Russian regions becomes relevant in modern conditions of increasing international competition. Introduction and development of clusters and cluster policy is playing a special role, because it stimulates the cooperation between enterprises in different countries. Creating such clusters that focus on innovation will provide the competitiveness of the republic.

The development of clusters in the region helps to create work places, to increase incomes and standards of living. Increasing tax revenues and reduction in social unemployment benefits has become noticeable at the level of regional and federal budgets. The impact of clusters on the economy of the region connected with the following effects:

- growth of GBR;
- growth of investment activity;
- growth of production and export of high technology products;
- small business development; growth of the share of innovative products in the structure of GBR.

Speaking of improving the region's competitiveness you could say, that one of his basic criteria is the growth in labor productivity. It may be mentioned here a strong position of the Republic of Tatarstan in the area of further development of the processing of raw materials and increasing the production efficiency of the base production.

## Discussions and Conclusion

The government regulation of investment activity - it is legislatively approved administrative methods of the investment policy, used by public authorities, which ensure practical implementation of the objectives of social and economic development of the country and its regions, improve the efficiency of investment, ensure their safety, reducing the risk of investment and the conditions for their involvement. Special legal regulation of investment activity presented by laws and regulations and being complex is in the nature.

The main laws and regulations, legitimizing the state regulation of investment activity is:

— in Russian Federation - Federal law of 25 February 1999, №39-FZ «On Investment Activity in the Russian Federation in the Form of Capital». (Federal Law, 1999). It defines the legal, social and economic conditions of investment activities, objects and subjects of investment activity, as well as the protection of the rights, interests and property of investors and recipient companies;

— in the Republic of Tatarstan – The Law of the Republic of Tatarstan of 18 July 2005, № 85-ZRT «On investment activity in Republic of Tatarstan». This law applies to investment in fixed assets, in the form of investments in new construction, the reproduction of existing enterprises, the acquisition of equipment on the territory of the Republic of Tatarstan. (Law, 1998);

The investment management in the region is based on a clear identification of targets, principles and investment rates, as well as on priority setting. Clearly formulated and well-chosen aims predetermine later elected financial mechanisms and investment channels. Those issues of investment management are considered in works of G.M. Kvon (2012), G.M. Kvon & F.G. Mukhametzyanova (2014), A.Sh. Khasanova & G.M. Kvon (2014). The implementation of the Strategy of socio-economic development of the republic (The Strategy, 2015), aimed at providing an innovative component of the region provides interaction of investment and innovation policy. Issues of innovative development of Russia and its subjects, the formation of the innovation system are considered in works of Z.N. Mirzagalyamova & L.I. Fatykhova (2015), L.I. Fatykhova (2010, 2013), A.V. Puris (2015), V.B. Vaks (2011, 2015).

Cluster has proven to be one of the most effective and flexible configuration in the realities of modern market relations. Michael Porter was one of the first who proposed to use clusters method, which causes the potential of enterprises in the field of competition in the regional subjects (Porter, 1993). The continuing development of issues of cluster organizations in the region is presented in works of Yu.G. Lavrikova (2008), which examined the role of clusters in the strategic development of the regions.

Issues of using of innovative approaches in the formation of clusters, the various aspects of the implementation of the cluster policy in the regions were considered in works of G.M. Kvon & N.A. Halikova, (2016), G.M. Kvon & N.V. Makarov (2016a, 2016b).

In this article were considered realization issues of investment and cluster policy of the region, based on features of socio-economic development of the Republic of Tatarstan.

The analysis of dynamics of key indicators of the republic showed a relatively high level of socio-economic development of the Republic of Tatarstan in compare with others regions of the Russian Federation. But its development is hampered by non-stationary economy of Russia.

Ratings of international rating agencies characterize the republic of Tatarstan as creditworthy, but they give the negative outlook, caused by unsteady conditions of Russian economy.

Analysis of investment indicators showed the possibility of increasing the investment attractiveness of the country, which is a strategic aim of its further development.

Cluster policy implementation provides for substantial investment, that is why this article connects cluster and investment policies of the region. The

Republic of Tatarstan has a number of clusters, which further strengthening could allow determining the cause of deceleration in the development of domestic production and could allow identifying the main vector of effective social and economic development of the region.

### Disclosure statement

No potential conflict of interest was reported by the authors.

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