

**THE INFLUENCE OF INNOVATION ACTIVITIES  
ON THE MESO-ECONOMIC SYSTEMS COMPETITIVENESS**

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Today the attraction of financial, technological and human resources necessary for the meso-economic systems (regions, districts, cities) development takes form of economic competition on the international and interregional markets. The ability to win this competition is determined by the internal properties of the system, i.e. competitiveness, which characterizes macro-and meso-economic systems capability for development under conditions of limited access to external resources and markets. The above defines the relevance of the study of the structure and factors of regional competitiveness.

Thus, the aim of this article is the logical-structural analysis of interregional competition and the definition of the role of innovation in the formation of competitiveness of meso-economic systems.

The research is based on the official data of the statistical Committee of the The Republic of Belarus, empirical observations, analysis and synthesis, General scientific methods of cognition. The paper investigates the nature and structure of inter-regional competition, identifies the factors of achieving competitive advantages of the region and the role of innovation in their achievement.

Research results. Interregional competition is a relatively new economic phenomenon, accompanied by a change in the role and functions of the region in the reproduction processes, the emergence of new factors of regional development, diverse in nature and the scale of action. By transferring the issues of competitive relations to the level of the region, the country can get a certain incentive for development and increase of national competitiveness as a whole. Studying the interregionalisation of competition requires the creation of the relevant theory and the use of specific methodologies and analytical tools [1, p. 259].

The competitiveness of the region can be defined as the position of the region on the global market, determined by natural, economic, social, political and other factors, and the ability of its individual producers to beat

the competitors in the domestic and foreign markets, providing the advanced for socio-economic development rates and ensuring the improvement of the efficiency of the economic entities of the region and the welfare of its population [2, p.119].

Interregional competition is based on the General prerequisites of competitive processes: limited resources, division of labor, property relations. For regions, limited resources are territory and natural resources, consumers, human resources, especially highly skilled ones, information and knowledge [3, c. 252]. Regions enter the competitive interaction on the basis of these resources, and the regions possessing the resources do not always win.

If regions compete for investments, the key factors are natural conditions, human capital, the capacity and availability of target markets, institutional infrastructure, and the legal framework for investment. In the competition for human resources, the main factor is the standards of living of the population. In competition for markets, the main factor is the ability to improve the quality and reduce the cost of production of the regional industry.

The relationship between the individual factors of competitiveness is hierarchical. Human potential depends on the standards of living in the region, and the standards of living can be achieved if the income of enterprises is increased due to successful competition in domestic and foreign markets. Thus, the objective basis for the competitiveness of the region regardless of the object of competition is to increase the attractiveness of certain elements of the economic complex of the region in the target markets. At the same time, the main tool of its achievement is innovation. Thus, ensuring the competitiveness of the region is possible only with the innovative model of its development.

The influence of innovation activities on the competitiveness of the region is due to the effect of the introduction of innovations -increasing the efficiency of production activities and improving the industrial, social and transport infrastructure of the region. Achieving a positive effect in these areas enhances the competitive position of the region through increasing its investment and social attractiveness, as well as the attractiveness of the region's products to consumers. Separately, the natural resources and geographical location of its territory has an uncontrolled impact on competitiveness (fig. 1).

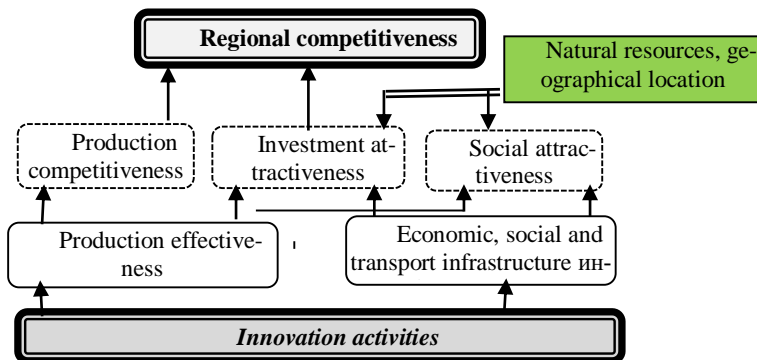


Figure 1. The logical-structural scheme of innovations influence on the regional competitiveness

Summary. Summarizing the above, we can say that the main tool for ensuring the competitiveness of the region is innovative development, provided within the innovation system of the region. The impact of innovations on competitiveness is due to the main directions of the effect of their implementation: improving the efficiency of production activities and improving infrastructure. At the same time, at the level of the The Republic of Belarus, further research of the structure of regional innovation systems, the role of local and republican authorities in these systems, the methods of interaction between the state and the private business in the process of innovative development is required, which is a prospective direction for further research.

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