



**Tikrit Journal of Administrative
and Economic Sciences**

مجلة تكريت للعلوم الإدارية والاقتصادية

EISSN: 3006-9149

PISSN: 1813-1719



**Improving the Quality of State, Regional and Municipal Financial
Resources Spending as a Key Condition for Sustainable Regional
Development of the Russian Federation**

**Alaa Abduljabbar Hussein Al-Azzawi*^A, Zaripov Ilyas^B,
Lukyanova Marin^C, Valishvili Meri^B**

^A College of Administration and Economics, Tikrit University, Iraq

^B Plekhanov Russian University of Economics, Moscow, Russia

^C Financial University under the Government of the Russian Federation, Moscow, Russia

Keywords:

Sustainable development; Regional policy; Regional economy; Public finance; Social tension; Correlation.

ARTICLE INFO

Article history:

Received 10 Mar. 2024
Accepted 23 Apr. 2024
Available online 30 Jun. 2024

©2023 THIS IS AN OPEN ACCESS ARTICLE
UNDER THE CC BY LICENSE

<http://creativecommons.org/licenses/by/4.0/>



*Corresponding author:



Alaa Abduljabbar Hussein Al-Azzawi

College of Administration and
Economics, Tikrit University, Iraq

Abstract: The transition to sustainable economic development is the most important goal of the regions and municipalities. At the same time, one of the problems requiring a priority solution is the growing social tension. In the article, an analysis has been carried out that made it possible to determine a direct correlation of the level of social tension and the quality of state and municipal financial resources spending. Research was made using the data of 2014 – 2020 periods. This study is based on the method of coefficient analysis through a specially developed coefficient calculated by multiplying the multiplier coefficients included in it, such as the social coefficient of internal population growth, the dynamic coefficient of external population inflow into the region, safety coefficient, labor activity coefficient and quality of life coefficient.

As a result, the main objective – to find and prove mathematically the tight correlation between financial imbalance (ineffectiveness) and social instability, which leads to an increase in the stability of the system and its development was fulfilled. This reinforces the importance of monitoring and auditing the ways of regional and municipal finances using, which were summed up at the conclusion.

تحسين جودة إنفاق الموارد المالية الحكومية والإقليمية والبلدية كشرط أساسي للتنمية الإقليمية المستدامة للاتحاد الروسي

علاء عبد الجبار حسين العزاوي كلية الإدارة والاقتصاد، جامعة تكريت-العراق	زاريبوف إلياس جامعة بليخانوف الروسية للاقتصاد، موسكو-روسيا	لوكيانوفا مارينا الجامعة المالية التابعة لحكومة الاتحاد الروسي، موسكو-روسيا	فاليشفيلي ميري جامعة بليخانوف الروسية للاقتصاد، موسكو-روسيا
---	---	--	--

المستخلص

إن الانتقال إلى التنمية الاقتصادية المستدامة هو الهدف الأهم للأقاليم والبلديات. وفي الوقت نفسه، فإن إحدى المشاكل التي تتطلب حلاً ذا أولوية هي التوتر الاجتماعي المتزايد. تم إجراء تحليل في المقالة، مما جعل من الممكن تحديد العلاقة المباشرة بين مستوى التوتر الاجتماعي وجودة الإنفاق على الموارد المالية الحكومية والبلدية. تم إجراء البحث باستخدام بيانات الفترات 2014-2020. تعتمد هذه الدراسة على أسلوب تحليل المعامل من خلال معامل مطور خصيصاً يتم حسابه بضرب المعاملات المضاعفة المتضمنة فيه مثل المعامل الاجتماعي للنمو السكاني الداخلي، المعامل الديناميكي للتدفق السكاني الخارجي إلى المنطقة، معامل الأمان، العمالة معامل النشاط ومعامل جودة الحياة.

ونتيجة لذلك، فإن الهدف الرئيسي هو العثور على وإثبات رياضياً العلاقة الوثيقة بين الخلل المالي (عدم الفعالية) وعدم الاستقرار الاجتماعي، الأمر الذي يؤدي إلى زيادة استقرار النظام وتطويره. وهذا يعزز أهمية مراقبة وتدقيق طرق استخدام المالية الإقليمية والبلدية، والتي تم تلخيصها في الخاتمة.

الكلمات المفتاحية: التنمية المستدامة، السياسة الإقليمية، الاقتصاد الإقليمي، المالية العامة، التوتر الاجتماعي، الارتباط.

1. Introduction

Issues of social responsibility of the state and business, strengthening the activity of the state in solving socio-political problems, providing assistance to the most vulnerable groups of the population. As well as issues of proper corporate governance at the state level, primarily in the implementation of budget expenditures within the framework of state priority programs aimed at improving the life of the population, improving the level of well-being of citizens, are the highest priority in Russia at present. At the same time, the federal government allocates regular subsidies to the regions to fulfill their social obligations. However, some of the funds at the regional and municipal levels are spent inefficiently, which causes discontent among the local population, aimed at all branches of state power, including the federal government. Thus, it turns out that financial resources

for social programs are allocated by the national government, but money does not reach their final consumers due to the inefficiency of their spending and the presence of bureaucratic and corruption components.

The formation, use and management of budgetary funds are the main mechanism for stabilizing the macroeconomic situation in the country and affect its sustainable development. Financial resources allocated for the implementation of state and municipal development programs and projects should be used for the purposes provided for in the original plan. However, the existing trend of misappropriation of budget funds hinders balanced economic activity. In general, this situation jeopardizes the implementation of state and municipal projects and programs, thereby causing significant harm to the interests of citizens, society and the state as a whole.

It is a well-known fact that at all levels of the budgetary system of the Russian Federation there are violations such as inappropriate spending or ineffective use of financial resources. In the context of instability caused by the COVID-19 pandemic, this negative trend has a direct impact on the quality and effectiveness of public administration, has an extremely negative impact not only on economics, but also on social life. In the regions of Russia, these problems are especially urgent.

The authors set the task to mathematically prove the correlation between the inefficiency of spending budget funds on socially oriented programs and social tension in the regions on the basis of official statistics and data from open sources using period 2014-2020.

The relevance of this study is due to problems in the area of misuse of budget funds. Correct and rational management of budget funds is one of the factors of balanced growth and well-being of regions and municipalities.

The purpose of this research is to justify the hypothesis about the importance of state (public) resources spending in strict accordance with the adopted plan, about its impact of the targeted use of regional finance on social tension, and about its contribution to the sustainable development of the region.

The object of the research is to control and analysis of public spending as a factor in the sustainable development of the regional economy.

The subject of this work is the relationship between social tension and inappropriate use of budgetary funds in the regions of the Russian Federation.

2. Literary reviews:

Modern researchers and scientists analyze the issues regarding budgetary funds management at their publications.

In the work (Burakov N., 2019), the problem of sustainable development was solved using cluster analysis, for which was proposed "building a regional index of economic development and ranking the subjects of the Russian Federation." In the article (Kozyr N.S., 2019), the author demonstrates new approaches to compiling regional ratings in the national economy. Moreover, the aspect revealed in the article (Zemtsov S.P., Smelov Yu.A., 2018) looks relevant, when the policy of the regions is considered as a factor of sustainable regional development.

In general, social tension can be viewed as an indicator of a growing social crisis, which grows as we approach a certain moment and arises as a trend when the crisis is not yet expressed. It was triggered by a social group, or a private need (personal interest) that does not find satisfaction. A prerequisite for the emergence of social tension is the case when a significant part of society, for various reasons, feels insecure about its prosperity.

The problem of social tension and its relationship with the policies of regional and local governments is discussed in the article "Planning and social tension in Indonesian cities" (Freek Colombijn, 2006). The authors conclude that "political changes are reflected in new urban plans".

The relationship of economic phenomena with social tension and resilience is the subject of detailed research in many regions of the world. Thus, in the article (Amīn, Ğ. A., 1995), the relationship between economic difficulties and the level of social tension, as well as foreign policy in Egypt over a long period of time, was studied. The article (Freek Colombijn, 2006) reflects the facts and ideas of urban planning, shows the idea of how political changes lead to the creation of new urban improvement plans, taking into account the impact on the sustainability of political systems in Indonesian cities. The scientists made conclusions that "planning ideals, based on the segregation of people from different ethnic backgrounds, have changed with the emergence of new political leaders, reflecting the political climate of the time" (Freek Colombijn, 2006).

In the modern world, social tension has different directions. In some works, it is chosen not only as an object of observation, but also as a method for studying this phenomenon, aimed at tracking its dynamics through the

analysis of the content of publications in social networks. The work (Donchenko, D., 2017) proposes an approach to measuring social tension in certain regions of Russia based on the analysis of users' publications on the Vkontakte social network. The authors talk about the creation of digital programs that analyze thematic sections (unemployment rates, corruption crimes and inflation), as well as the ability to collect alternative statistics on the number of such messages in certain periods.

The problem of homelessness and emergency housing is very critical at social context within the framework of the task of sustainable development of regions. Novak D.T. highlighted this issue and proposes measures to solve the problem in conditions of limited resources, which allows "to solve the problem of homelessness, they are forced to prioritize between solving long-term structural problems of housing affordability and a humanitarian catastrophe on the city streets" (Novak, D. T., 2017). In the long term, this problem sounds like a problem of emergency housing, in the short-term, it is solved through a temporary camp system ("existing transitional encampment system in Seattle").

One of the latest works devoted to this issue is the work of Russian authors (Kapoguzov, E. A., Chupin, R. I., 2020), which analyzes the problems of assessing the factors of social tension in large urban agglomerations, as well as its actual state in the city of Omsk. Based on the economic and statistical analysis of the data obtained by the survey method, the authors draw conclusions about the relationship between social discontent and the age category. From their point of view, "the most significant influence among the considered characteristics of respondents is exerted by age and education: respondents with secondary or higher education more often note dissatisfaction with the situation in the region, while the age group from 30 to 44 is mostly dissatisfied".

Nevertheless, the key direction of the review of scientific issues is the causes and consequences of social tension in the context of sustainable development of regions and countries of the world. The authors of works (Vittal, N., 2002) highlight such factors as historical tradition, religious parochialism, short-sighted policies and vested interests. However, the greatest contribution to the development of the scientific direction is the search for a sustainable solution associated with solving the problem of

reducing social tension, or developing an algorithm for finding such a solution. Such solutions may include:

- Game systems of cooperation to reduce social tension in solving the cities of Tigeran (Dhamo, S., 2019);
- Options for social cohesion and multi-level municipal (urban) governance in the framework of urban studies in the UK (Kearns, A., & Forrest, R., 2000);
- Urban brands, culture and social division address issues of (creative) tension and differentiation among middle-class consumers (Bookman, S., 2014).

At the same time, social tension is associated with the financial well-being of the region's work and the quality of management of regional public finances. Intended use is a key aspect that influences and, as a result, reduces the level of social tension, in terms of the fulfillment by the state with a federal type of organization of its powers.

Financial plans as part of the country's unified budget are reflected in strategic documents, including regional programs and national projects. They are socially oriented; thus, the government achieves a reduction in unemployment and crime rates through public investment measures aimed at economic growth and entrepreneurship. An important indicator is life expectancy, investment in modern technological types of medical care.

The inappropriate use of budget funds is in the focus of attention of senior government officials. Questions are observed in the procurement of equipment and technology, construction, the implementation of social obligations and investment plans, since it is important that the movement of funds should be clearly traced at all levels of government, where there is regular reporting and transparency in the use of public funds and all types of budgetary resources.

3. Methodology

This study is based on the method of coefficient analysis through a specially developed coefficient calculated by multiplying the multiplier coefficients included in it, such as the social coefficient of internal population growth (K_{ip}), the dynamic coefficient of external population inflow into the region (K_{ep}), safety coefficient (K_s), labor activity coefficient (K_l) and quality of life coefficient (K_q).

The final coefficient of social tension K_{st} is determined by multiplying the factors included in the model and their relative

characteristics, taking into account the calculated coefficients and has the following form.

$$K_{sn} = \prod K_{ip}; K_{ep}; K_s; K_l; K_q \quad (1)$$

In order to determine the degree of influence of misuse of budget funds on social tension in the regions, it is necessary to calculate the correlation coefficient based on statistical indicators.

Official statistics data in the section "Regional statistics. Socioeconomic Situation" allow for a quantitative and dynamic analysis, as well as a qualitative assessment of the identified factors with their subsequent verification.

The algorithm for solving the goal set in the study is based on several main stages:

- A. Building a mathematical model.
- B. Collection and generalization of data available for analysis.
- C. Building a regression model.
- D. Systematization of the results of correlation analysis.
- E. Substantiation of conclusions.

To carry out the analysis according to the presented algorithm, the authors identified a group of regions as objects and separate elements of sustainable development policy. At the same time, the data is assessed in dynamics, with an emphasis on the economic potential of the development of Russian regions, by which the authors mean the factors and patterns of sustainable growth of the regional link of the Russian economy.

The social aspect of the study is expressed in identifying patterns in order to substantiate decisions on the issues of targeted support of territories through the system of public non-financial institutions and federal policy instruments, such as national projects and government programs.

Generalized information on social tension in the constituent entities of the Russian Federation is reflected in the ranked lists compiled by rating agencies. They calculate and assess the quality of regional finance management, the level of inappropriate use of budget funds and measure social tension in the constituent entities of the Russian Federation.

In order to select regions for the analysis, the authors relied on the methodology of the Committee of Civil Initiatives, which assesses social tension by economic and political factors, as well as protest activity. It should be noted separately that the Levada Center experts distinguish among the

factors of social tension: rising prices, increasing unemployment, economic crisis, pension reform (Lukyanova M.N., 2020).

Thus, the social tension in the region is a chaotic, unstable process. However, some regions of Russia show a consistently high level of social instability due to many factors. Let's pay attention to the Integral rating of regions by the level of social tension, compiled by the Center for Economic and Political Reforms (CEPR) in 2017. Primorsky area, Sverdlovsk Oblast, Moscow, Khabarovsk area, Republic of Buryatia, Samara Oblast, Rostov Oblast took the leading positions in this rating. The list is completed by the Republic of Adygea and the Chechen Republic.

Within the framework of this study, the authors analyzed the calculation of the final coefficients of social tension for such regions as: St. Petersburg, Krasnodar area, Arkhangelsk Region and the Republic of Dagestan. These subjects are at the average position in the rating, which may indicate a sufficient degree of reliability of the calculations and conclusions made by the authors.

4. Results and Discussion:

To assess the tension in the regions, a prerequisite is the identification of public opinion through social surveys and polls.

In order to examine the social aspect of the tension of citizens and society, let us refer to the data of the official website of the state automated system "Management" and the rating of the Federal State Statistics Service of Russia. Considering such an indicator as "satisfaction of the population with the quality of highways in municipalities" based on the results of 2017 and 2018, the following patterns can be distinguished:

- A. Subjects of the Russian Federation: the Leningrad Region, the Komi Republic, the Arkhangelsk Region, the Novgorod Region are among the Top 10 regions with the lowest satisfaction of the population with the quality of highways in municipalities over the past two years (2017 and 2018). Positive results in these regions range from 13% to 25% of the respondents. Meanwhile we can note that there is an increase in satisfaction with the quality of roads in above regions.
- B. On average, the minimum values of the indicator for the outsider regions are growing by 21% per year.

Public opinion about the quality of roads, which are one of the most vivid indicators of the effectiveness of the use of budgetary funds, are

reflected in the general attitude towards the activities of the executive authorities of these constituent entities of the Russian Federation.

Cases of inappropriate spending of public regional financial funds, identified by the supervising and auditing authorities of the regions, have a wide variety of forms. The peculiarities of their occurrence in the practice of regional authorities and local self-government bodies require more detailed analysis.

In 2019, the General Prosecutor's Office of Russia ranked regions regarding violation of budget regulations and federal laws. The largest number of criminal cases for violations of budget and fiscal laws were initiated by prosecutors in the Krasnodar area, Moscow and the Ryazan Region. In the course of the external state financial control. As of 2018 15,118 facts of various violations in the operation of objects of control were established in the amount of 7.485 billion rubles. Of which 971 facts of violations of the budgetary legislation of the Russian Federation, for which budget and (or) administrative coercive measures in the amount of 2.130 billion rubles, incl. inappropriate use of budget funds - 270 facts in the amount of 3.815 million rubles.

In the structure of the revealed violations, 28% are accounted for by cases of ineffective use of budget funds: overestimation of the cost of works and services. As well as other indicators in the implementation of construction and repair work, non-compliance with the procedures and conditions for the provision or spending of interbudgetary transfers, subsidies, procedures for approving and maintaining budget estimates, formation and financial support for the fulfillment of the state (municipal) task, facts of non-fulfillment or incomplete fulfillment of the state (municipal) task.

The practice of misuse of budget funds:

A.St. Petersburg: The Chamber of Control and Accounts of St. Petersburg in 2016 revealed the misuse of public funds in the amount of 424.0 million rubles. The total volume of violations and shortcomings identified by the Chamber in 2017 during the exercise of powers to conduct external state financial control amounted to 78,255.7 million rubles, incl. in control activities - 13,402 million rubles; expert and analytical activities - 64,853.7 million rubles. In the course of control activities, the volume of inappropriate use of budgetary funds amounted to 281.2 million rubles.

Based on the analysis of the dynamics of the misuse of budgetary funds in St. Petersburg for 2016 - 2018. it can be concluded that there is a steady tendency towards a decrease in the amount of inappropriate use of budget funds in a city of federal significance, which is undoubtedly an important indicator when considering the issue of inappropriate use of budget funds.

B. Krasnodar area: The volume of budgetary allocations of the municipal road fund of the Staroshcherbinovsky rural settlement of the Shcherbinovsky district for 2018, which amounted to 17 144.9 thousand rubles. With the approved volume of budgetary allocations of the road fund of the entire Krasnodar Territory for 2018 in the amount of 29,048,874.9 thousand rubles. Despite the fact that the budgetary funds of the municipal road fund are small in comparison with the regional one, the following fact remains important of the importance of their correct spending, as well as a strong influence on social stability in the region.

C. Arkhangelsk region: The Control and Auditing Inspectorate and the Chamber of Control and Accounts of the Arkhangelsk Region carry out annual inspections and monitoring of compliance with budget legislation, the lawful use of funds from the regional budget. According to the results of the financial control of 79 objects, the Control and Accounts Chamber of the region in 2016 revealed inappropriate use of the budget in the amount of 101.1 million rubles. In 2017, 98 objects of control were checked and violations of budgetary and other legislation were revealed in the amount of RUB 2,696.0 million, including inappropriate expenditures of financial resources in the amount of RUB 82.3 million. Compared to 2016, violations in the area of misuse decreased by 35%

As part of the activities of the Ministry of Construction of the region in 2017, the fact of inappropriate use of budget funds in the amount of 3.9 million rubles was recorded. for the construction of a bank protection facility for a section of the Bystrokurka branch. During the construction of preschool institutions in the Arkhangelsk region in the city of Velsk and the Kargopol municipal district. So, in the city of Velsk 19 violations of budgetary legislation were committed in the amount of 17.4 million rubles, including inappropriate use amounted to 0.2 million rubles. In the Kargopol municipal district, the amount of misuse of funds reached 8.6 million rubles. and 24 violations of budget legislation were recorded. In the Arkhangelsk Region,

during the implementation of the departmental Ministry of the Fuel and Energy Complex and Housing and Utilities Program for the Resettlement of Citizens from Emergency Housing Stock, a number of violations were committed, which led to the inappropriate use of funds in the amount of 42.2 million rubles. in 6 municipalities.

In the Plesetsk municipal district, an audit was carried out for compliance with budgetary legislation, as a result of which 1.9 million rubles were spent not for the intended purpose. In the implementation of the program "Gasification of the Arkhangelsk region for 2012-2014", in the implementation of the program "Development of energy and housing and communal services in the Arkhangelsk region (2014-2020)" - 1.0 million rubles. As part of the audit of the spending of the subsidy for the co-financing of measures for the repair of local roads, it was found that it was misused in the amount of 1.8 million rubles.

When checking the Arkhangelsk Polytechnic College, 75 violations were revealed, incl. inappropriate use of funds from the regional budget in the amount of 4.2 million rubles., as you know, were paid for actually not completed work on the roofing, repair of the shooting gallery.

In the Plesetsk municipal district, an audit was carried out for compliance with budgetary legislation, as a result of which 1.9 million rubles were spent not for the intended purpose. in the implementation of the program "Gasification of the Arkhangelsk region for 2012-2014", in the implementation of the program "Development of energy and housing and communal services in the Arkhangelsk region (2014-2020)" - 1.0 million rubles. As part of the audit of the spending of the subsidy for the co-financing of measures for the repair of local roads, it was found that it was misused in the amount of 1.8 million rubles.

When checking the Arkhangelsk Polytechnic College, 75 violations were revealed, incl. inappropriate use of funds from the regional budget in the amount of 4.2 million rubles., as you know, were paid for actually not completed work on the roofing, repair of the shooting gallery.

According to the results of the audit of the Control and Accounts Chamber of the region in 2018, out of the total amount of revealed violations, the misuse of funds amounted to 49.9 million rubles, the amount of damage to be returned to the budget amounted to 208.5 million rubles. Fuel and energy complex and housing and communal services of the Arkhangelsk

region when checking the implementation process of the state program "Formation of a modern urban environment in the Arkhangelsk region (2018 - 2022)" revealed the misuse of regional budget funds in the amount of 138.1 thousand rubles. In 2018, as in 2017, the implementation of the program "Resettlement of citizens from emergency housing stock" was checked. When monitoring the settlement of citizens in residential premises and registration in them after the recognition of housing conditions as unsuitable, it was revealed that the municipalities of Kozminskoye used funds inappropriately in the amount of 9.5 million rubles. and Mezenskoye in the amount of 8.4 million rubles. According to the results of the inspection in the gardening non-profit partnership "Vasyuki" of the Primorsky municipal district, violations were revealed, incl. cash in the amount of 4.4 million rubles. SNT "Vasyuki" was spent not for its intended purpose.

As part of the activities of the Ministry of Construction and Architecture of the region, an audit was carried out of the spending of funds for the construction of a school for 90 places in the village of Pogost, Velsky District. Facts of misuse in the amount of 10.1 million rubles were established. in terms of acceptance and payment of actually not completed work.

Based on the results of audits in 2018, the Chamber of Control and Accounts of the Arkhangelsk Region drew up 37 reports on administrative offenses, incl. 28 protocols on misuse of budget funds. In the period from 2016 to 2018, based on the data of inspections of the PCB of the Arkhangelsk region, it is clear that the misuse of budget funds in the Arkhangelsk region decreased by 51.2 million rubles. or 50.6%. Inappropriate use of budget funds is observed in such spheres as construction, fuel and energy complex, housing and communal services, and education. The main trend is that the amount of inappropriate use of funds for more than 10 million rubles. Recorded when using funds by municipalities, including the Plesetsk, Kargopol, Kholmogorsk, Velsk districts of the Arkhangelsk region. This indicates the problems in the implementation of management and control over the use of funds at the municipal level.

D. The Republic of Dagestan: The Republic of Dagestan was also the subject of the study as one of the most interesting from the point of view of misuse of funds. In accordance with the annual report of the Accounts Chamber for 2018, violations were revealed in the course of external state financial

control in the amount of 9,362.6 million rubles, of which 87.2 million rubles. spent in non-targeted areas, in addition to 49.1 million rubles. the cost of the work performed was overestimated, which can also be considered as inappropriate use of budget funds.

In 2017, the prosecutor's office opened a case about three employees of the administration of the Levashinsky district of Dagestan, suspected of embezzling more than 89 million rubles, for which the court detained them. The petition made by the district prosecutor's office for the arrest of the chief accountant, accountant and cashier of the Levashinsky municipal district administration was granted by the Sovetsky District Court of the city of Makhachkala. A criminal case was initiated under Part 4 of Art. 159 (fraud on an especially large scale) and part 2 of Art. 292 (official forgery) of the Criminal Code of the Russian Federation. According to the investigation, the aforementioned officials of the administration stole funds in the amount of more than 89 million rubles, introducing false information into the reports about the accrual and payment of contributions for various reasons: compulsory social insurance for pregnancy and childbirth, temporary disability, early pregnancy for fictitious persons, who were not employees of the municipal institutions of the Levashinsky district.

According to the Main Directorate of the Ministry of Internal Affairs for the Republic of Dagestan, in 2019 in Dagestan, employees of the administration of one of the regions were suspected of misappropriating budget funds. Employees of the Department of Economic Security and Anti-Corruption of the Ministry of Internal Affairs for the Republic of Dagestan established that the head of the financial department of the administration of one of the districts of Dagestan, in agreement with the chief accountant of the said local self-government body, during the execution of the municipal contract on the performance of work on the repair and asphalt paving of the road misappropriation of budgetary funds. They directed budget funds in the amount of 3,124.3 thousand rubles for purposes that do not meet the conditions for their receipt. (Donchenko, D., Ovchar, N., Sadovnikova, N., Parygin, D., Shabalina, O., & Ather, D. (2017).

- 5. Experimental:** The authors propose the calculation of the level of social tension through a specially developed coefficient calculated by multiplying the indicators included in it (multiplier coefficients). Such as the social coefficient of internal population growth, the dynamic coefficient of external
-

population inflow into the region, the safety coefficient, the coefficient of labor activity, the coefficient of quality of life (an example of the actual data of the region is given in table 1).

Table (1): Indicators of social tension in the Krasnodar Area

Coefficients	Indicators	2014	2015	2016	2017	2018	2019	2020*
Social coefficient, Kip	Natural population growth / decline per 1000 people, people	0,6	0,5	0,3	-0,5	-0,5	-1,50	-1,5
Dynamic coefficient, Kep	Migration growth rate per 10,000 population	84,36	105,29	100,51	62,54	84,56	63,50	63,35
Safety factor, Ks	Number of registered crimes per 100,000 people population, units	1 276	1 376	1 297	1 215	1 216	1 200	1 150
Labor activity coefficient, Kl	Unemployment rate (according to the methodology of the International Labor Organization)	5,7	6	5,8	5,7	5,2	6,6	7
Quality of life coefficient, Kq	Life term expected	71,74	72,29	72,28	72,53	72,83	73,81	72

Source: compiled by the authors using data from statistical showcases <https://showdata.gks.ru/finder/>, * 2020 - authors' estimates.

Taking into account the correction operators, the data obtained for the four regions are presented in Table 2.

Table (2): Coefficients of sustainability and social tension of some regions of Russia

Social tension coefficient, Kst	2014	2015	2016	2017	2018	2019	2020
Kst Krasnodar Area	6 880	7 743	7 190	7 299	6534	6730	7067
Changes %	12,5%	-7,1%	1,5%	-10,5%	-5,0%	3%	5%
Kst Arkhangelsk region	13877	16056	15365	14565	15111	16622	18284
Changes %	15,7%	-4,3%	-5,2%	3,7%	8,9%	10%	10%
Kst The Republic of Dagestan	521,77	906,64	1211,5	1695,8	1882,4	3765	7530
Changes %	73,8%	33,6%	40,0%	11,0%	260,8%	100%	100%
Kst St. Petersburg	1360,3	2146	1443,8	1525	1453,8	1556	1711
Changes %	57,8%	-32,7%	5,6%	-4,7%	6,9%	7%	10%

Source: compiled by the authors using data from statistical showcases <https://showdata.gks.ru/finder/>, * 2020 - authors' estimates.

According to the results of the analysis, the coefficient of social tension in the Arkhangelsk region has an unstable dynamics. In the Republic of Dagestan, the coefficient of social tension from 2014 to 2018 demonstrates positive dynamics in comparison with the Krasnodar Area and the Arkhangelsk Region. In the city of St. Petersburg, a stable trend of stabilization of the situation has been shown. Only in 2015 is there a sharp, but short growth. According to the results of the calculation of the coefficient of social tension, the most unfavorable according to this criterion are the Arkhangelsk region and the Krasnodar area.

In order to identify the degree of influence of misuse of budget funds on social tension in the analyzed regions, we will calculate the correlation coefficient based on statistical indicators from 2014 to 2020. The calculation results are presented below in Table 3.

Table (3): Calculations of the impact of inappropriate use of budgetary funds on social tension in the regions

Social tension coefficient, Kst	2014	2015	2016	2017	2018	2019	2020	Correlation coefficient (2014-2018)
Krasnodar Area	6 880	7 743	7 190	7 299	6 534	6730	7067	+0,3039
Arkhangelsk region	13877	16056	15365	14565	15111	16622	18284	+0,0850
The Republic of Dagestan	521,77	906,64	1211,5	1695,8	1882,4	3765	7530	-0,7983
St. Petersburg	1360,3	2146	1443,8	1525	1453,8	1556	1711	-0,6240

Source: authors' calculations based on above tab.1 and tab 2.

The correlation coefficient in St. Petersburg is -0.624, therefore, a strong, negative relationship between the two indicators can be traced. In St. Petersburg, inappropriate use of budget funds does not affect social tension in the region; the relationship between these two indicators is strong negative.

The correlation coefficient in the Republic of Dagestan is -0.79832, and a strong negative relationship between the two indicators was also established in this region. Thus, in the Republic of Dagestan, the inappropriate use of budget funds affects social tension in the region, but the relationship between these two indicators is the opposite: an increase in the

value of the first parameter leads to a decrease in the level of the second indicator.

6. Conclusion: Authors prove the direct correlation of the level of social tension (instability) and the low efficiency of state and municipal financial resources spending. Above dependencies (trends) show the relationship of the factor to sustainable development, this confirms the reliability of the proposed assessment method. At the same time, this approach relies on institutional aspects (for example, the availability of regional support measures), areas of social policy and long-term plans (strategies) for the development of territories, including municipal subsystems of regions. This technique fits into the framework of the international trend towards the concept of sustainable development. On the other hand, it can form the basis for forecasting tools for the sustainable development of regions and their municipal and regional subsystems. It is reasonable to construct regional roadmaps of the development using the example of long-term forecast documents, roadmaps and other strategic planning tools based on socio-ecological and economic systems of the macro-regions of Russia.

The performed correlation analysis showed that among all researched Russian regions there is a strong link between the inappropriate use of budget funds and social tension in the Krasnodar Area and in the Arkhangelsk Region. In the Republic of Dagestan and the city of St. Petersburg, there is a pronounced negative relationship between these indicators, which leads to the fact that they do not affect each other.

Thus, according to the results of the study, it was revealed that the inappropriate (ineffective) use of budget funds has a certain impact on social tension in the regions of the Russian Federation. In the subjects where the level of social tension is the highest, there is a weak connection with the misuse of budget funds, which allows us to conclude that these indicators insignificantly affect each other. Moreover, in regions where there is a large amount of misuse of budget funds, there is a low coefficient of social tension, in other words, the higher the coefficient of social tension, the less budget funds are used for other purposes.

Within recommendations to improve budgetary efficiency, greater attention should be paid to supervising and control, including ongoing monitoring and review of reporting. The main directions of the oversight should include:

1. control over the implementation of the regional budget;
2. expert due diligence of regional budget projects;
3. external audit of the annual report on the execution of the budget of the region;
4. organization and implementation of control over the legality, effectiveness (efficiency and legality) of the use of funds from the budget of the regions, as well as funds received by the local budget from their other sources provided for by the legislation of the Russian Federation;
5. control over the placement of orders for the supply of goods, performance of work, provision of services for regional and municipal needs, as well as the needs of regional and municipal budgetary institutions;
6. control over the progress and results of the implementation of programs and plans for the development of the region and municipal districts.

The regional and municipal authorities should focus at the key principle of efficiency in the use of funds, given Article 34 of the Budgetary Code of the Russian Federation. Which means that drawing up and executing budgets financial resources, regional authorities need to achieve the appointed social results using the least amount of budget funds or achieve the best results using the amount of funds determined by the budget.

Only in this case the regions would be able to achieve balanced sustainable development of their territory with sufficient effective budget financing and the absence of social tension, which is gradually being transformed into complex widespread support of the government from the side of the population and business.

References:

1. Amīn, Ğ. A., (1995), Egypt's economic predicament: a study in the interaction of external pressure, political folly, and social tension in Egypt, 1960-1990 (Vol. 51). Brill.
2. Bookman, S., (2014), Urban brands, culture and social division: Creativity, tension and differentiation among middle class consumers. *Journal of Consumer Culture*, 14(3), P.324-342.
3. Burakov N., (2019), Regional index of economic development and ranking of subjects of the Russian Federation / N. Burakov, E. Bukhvald, A. Kolchugina // *Federalism*. 2019.No. 3. P. 149-171. ISSN: 2073-1051. DOI: 10.21686 / 2073-1051-2019-3-149-171.
4. Bykovsky V.A., (2005), Social tension at the municipal level: a methodology for assessing the work of the administration / V. A. Bykovsky // *Sociological research. Sociological Studies*. 2005. No. 10 (258). P. 22-25. ISSN: 0132-1625.

5. Dharmo, S., Valerio, P., Bregasi, L., & Papa, G., (2019), non-cooperative and repetitive games for urban conflicts in Tirana. Playful collaborative systems to lower social tension. In GSM4Q, Game Set and Match IV (Vol. 1, pp. 1-16). Qatar University.
6. Donchenko, D., Ovchar, N., Sadovnikova, N., Parygin, D., Shabalina, O., & Ather, D., (2017), Analysis of comments of users of social networks to assess the level of social tension. *Procedia Computer Science*, 119, P.359-367.
7. Freek Colombijn, (2006), Chapter 6 Planning and social tension in Indonesian cities, *Global Bioethics*, 19:1, P.73-84, DOI:10.1080/11287462.2006.10800886
8. Jovovic, R., Draskovic, M., Delibasic, M., & Jovovic, M., (2017), The concept of sustainable regional development – institutional aspects, policies and prospects. *Journal of International Studies*, 10(1), P.255-266. doi:10.14254/2071-8330.2017/10.
9. Kapoguzov, E. A., Chupin, R. I., Kharlamova, M. S., & Pligunova, A. V., (2020), Social tension factors: estimation and analysis issues (case study: the city of Omsk). *Magazine of Federal Siberian University. Series: Humanitarian Sciences*, 13(4), P.517-528.
10. Kearns, A., & Forrest, R., (2000), Social cohesion and multilevel urban governance. *Urban studies*, 37(5-6), P. 995-1017.
11. Kozyr N.S., (2019), Region in the national economy: approaches to compiling ratings // *Regional economy: theory and practice*. 2019. Vol. 17.No. 3 (462). P. 418 - 434.
12. Lukyanova M., Afanasyeva M., Korotkova Yu. Et al. (2020) Influence of inappropriate use of budget funds on the level of social tension / M. Lukyanova, M. Afanasyeva, Yu. Korotkova, A. Rozhkova, I. Shalaev // *Bulletin of Mirbis*, No. 4 (24), 2020. P. 142-158. DOI: 10.25634 / MIRBIS.2020.4.15.
13. Nagimov, A. R., Akhmetshin, E. M., Slanov, V. P., Shpakova, R. N., Solomonov, M. P., & Ilyaschenko, D. P., (2018), Foresight technologies in the formation of a sustainable regional development strategy.
14. Newbold, R. F. (1974). *Social Tension at Rome in the early years of Tiberius' reign*. Athenaeum, P. 52, 110.
15. Novak, D. T., (2017), *Social Tension* (Doctoral dissertation).
16. Sotarauta, M., Horlings, I., & Liddle, J. (Eds.). (2012). *Leadership and change in sustainable regional development*. Routledge.
17. Vittal, N., (2002), Sustainable Measures to Manage Social Tension. *Indian Journal of Public Administration*, 48(3), P. 347-353.
18. Zemtsov S.P., Smelov Yu. A., (2018), Factors of regional development in Russia: geography, human capital or regional politics // *Journal of the New Economic Association*. 2018. No. 4 (40). P. 84-108.