

CONTINUUM OF INSTITUTIONS OF STATE REGULATION AND SELF-REGULATION OF BUSINESS ORGANIZATIONS

BORIS KOVALENKO

St. Petersburg National Research University of Information Technologies, Russia

ABSTRACT

Government regulation of business is based on the application of different rules of behavior of economic agents. These rules are being developed and implemented at the national and regional levels of economic regulation. At a certain stage of development of national and regional regulations are beginning to constrain the global interaction of the agents of economic development. This trend for the economy of Russia and many countries that have more attention create market conditions for farming. For further economic development of post-soviet space, which is now gaining momentum, it is important to reduce the control over economic agents actions and to create a culture of self-regulation. We see the problem is to establish a balance of government regulation and self-regulation in a single continuum. To this end, studies were carried out the forms and methods of state regulation in the Russian economy, the advantages and disadvantages of self-regulation, self-regulatory organizations proposed classification, formulated the conditions under which self-regulation in the post-may be more effective form of impact on the behavior of economic agents than government regulation. In the article the author offers direction of public-private partnership: financial, logistical and administrative real. The development of public-private partnerships as a mechanism for interaction study of global parties "society - the state - business" in the management of priority areas of the economy.

JEL CLASSIFICATION & KEYWORDS

■ O20 ■ GOVERNMENT REGULATION ■ SELF-REGULATION
 ■ CO-REGULATION ■ PUBLIC-PRIVATE PARTNERSHIP

INTRODUCTION

The concept of state regulation, as the results of research, has a complex, multifaceted content, including elements such as:

- rules of business, which form the vaults of various regulations;
- codes of behavior of economic agents, defining their rights and duties, a measure of mutual responsibility, including restrictions and prohibitions;
- organizational and economic structures that control the observance of rules and regulations of the behavior of economic agents;
- social and economic policies with the mechanisms of its implementation;
- the system of measures to manage socio-economic processes in society.

However, experience shows that it is impossible to regulate all aspects of economic agents (Vasiliev, 2010). For this reason, government regulation may be supplemented by self-regulation.

Under self-regulation, we understand the legitimate regulation of certain areas of activity by the economic agents, without government interference. If we consider the self-regulation in the coordinates of the "market" - "government regulation", in contrast to the market self-

regulation involves the establishment of certain formal "rules" of market participants, including sanctions for violation of these rules, mechanisms for resolving disputes between market participants, which to some extent limit the freedom of economic agents. On the other hand, the establishment of rules and conflict resolution is carried out by the participants of the market, without the direct intervention of the state. To this end, they created a special organizational structure - the organization of self-regulation, and which are delegated certain powers and rights of the agents (Kovalenko, 2004).

In today's economy, state regulation of the elements are present on virtually all markets. How to interact with the system of self-regulation by government regulation?

Interaction between government regulation and self regulation:

- self-regulation is always done within the law and is legitimate;
- self-regulation can actually substitute for government regulation in certain areas;
- norms of self-regulation can complement and specify the applicable law;
- self-regulatory rules may tighten the requirements for market participants compared to the requirements of the legislation.

We consider these provisions in detail. The rules of self-regulation, in any case not inconsistent with the formal rules established by the state, and are legitimate. Of course, in the real economy can be an agreement of economic agents, real impact on their behavior in the market and assuming certain sanctions for violations, but contrary to the formal rules. A typical example of such agreements - informal cartel agreements. But this kind of illegal agreements and associations under our definition of self-regulation does not fall.

In some cases, self-regulation can actually substitute for government regulation. This situation is due to various reasons. Thus, the rules of an activity set by the market participants may appear before government regulations. If these rules are effective from the standpoint of business and the economy as a whole, the State may refuse to intervene in this sphere (Kasyanov, 2011).

It is thus evolved a system of regulation of advertising in the USA. In the 1906-1912 on the initiative of business and the media in the USA have established so-called "vigilance committees", later transformed into a Better Business Bureau (BBB). The task of these committees was to identify cases of unfair from the standpoint of consumers and competitors, advertising and the impact on advertisers and distributors of advertising in order to improve the quality of advertising. In a society ripe resentment many unethical and simply false advertising messages, more people talked about the need for state intervention. But the business he shared with the media has to deal with unethical and misleading advertising: the monitoring of advertising messages, develop codes of fair advertising, negotiating

with advertisers to change advertising messages, which caused complaints.

Of course, the path was not smooth. But as a result of long work has been an effective system of control over the observance of ethical principles in advertising, which is effectively used and developed so far. In the USA and was not accepted by the federal legislation on advertising, except for the advertising of food and medicine, and later - alcohol and tobacco.

Currently, the USA appears increasingly concerned about social validity and ethics of advertising, available through the Internet and require government intervention. In response, the business is developing new codes and systems of control over their observance, focused on the new information environment.

In some cases, the interaction between government regulation and self-regulation can take the path of the transfer of responsibilities to self-government organizations, and in this case, the state may be the initiator of self-regulatory organizations, taking appropriate legislation or creating institutional and policy environment for these organizations (Mezheraups, 2006).

Similar processes occur, for example, in the UK in the field of telecommunications, where the strategic task of the Ministry of Telecommunications (Office of Telecommunication, OFTEL) is the development of self-regulation in this area and the transfer of its functions, self-regulatory organizations in the following areas: providing consumers with information on prices and quality of services that would allow to compare different suppliers, the development of an effective code of conduct in relation to consumers and parsing of consumer complaints, the development of "internal" code of industry and technical standards and a system of settling disputes between companies. It should be noted that such a strategy is developed in a significant growth of competition in the UK in the field of fixed telephone lines (with the development of new technologies and the introduction of new regulations had been destroyed long-standing monopoly of British Telecom), and in new sectors of the telecommunications industry (mobile phones, services Internet, etc.).

In Russia, some sectors are similar schemes. Thus, in accordance with the law "On Securities Market" dated 22.04.1996 № 39-FL produced several self-regulatory organizations in this area, which were handed over power to control the activities of professional market participants. The state through the licensing of self-regulatory organizations controlled mainly those organizations and not directly to market participants.

Very often the norm of self-regulation complementary and specify the provisions of the legislation. In many cases, this approach is explained by the specific areas of regulation (Novoseltseva, 2006). Examples of areas where government control is objectively difficult, is advertising. Since advertising is a fusion of art and commerce may impact on the consumer by means of art while respecting the letter of the law. The detailed legislative regulation of the use of artistic means, on the one hand, it is inefficient, because there will always be an objective behind the development of such funds, on the other hand, can lead to the emasculation of advertising, to turn it into a bare information. In assessing the advertising is often necessary to speak in terms of "ethical-unethical" and not in terms of "legal-illegal." Therefore, in most areas of advertising regulation is organized as follows: The State establishes the basic minimum requirements for advertising and regulates

the individual, the most dangerous or socially significant forms of advertising (medicine advertising, advertising to children, etc.). The legislation is supplemented by codes of ethics self-regulatory organizations or co-regulation, which specify the provisions of the legislation. In addition, the self-regulatory organizations when considering specific cases are guided not only by the letter of the law or the Code, but common sense and can recommend to remove or change the ads, which formally corresponds to the letter of the law (Kharchenko & Vertakova, 2011).

In a significant number of cases of self-organization for its members set more stringent standards of conduct than is required by law. Such a tightening of the rules may be a factor in the competition: it is assumed that firms that comply with more stringent conditions of interaction with customers and partners, are more attractive to customers. So, the idea of Russia's equivalent of Better Business Bureau is based on the idea of making the business more responsibility to consumers, including extra-judicial settlement of disputes. On the other hand, the adoption of more stringent standards can serve as a reaction to the risk of tougher state regulation. In a situation where the state is going to introduce more stringent regulations, the business is profitable ahead of this process, self-impose more stringent performance standards, and thus show that the business itself is able to effectively control the market and further government intervention is not necessary (Hilman, 2009).

What are the main advantages and disadvantages of self-regulation over government regulation? It should be noted that in practice some of the benefits may be frustrated, as well as a number of deficiencies is quite overcome by the development of special procedures and mechanisms.

The advantages of self-regulation:

- norms of self-regulation is generally more flexible than the rules set by the state, it is easier to adapt to changing circumstances, allow you to quickly fill gaps in the legislation;
- market participants have more legal opportunities to influence the standard-setting organizations and the policy of self-regulation than government policies, including through the election of managers and self-regulatory organizations "voting with their feet" (if self-regulatory organization membership is optional);
- dispute resolution mechanisms are usually cheaper for the parties and take less time than litigation;
- dispute resolution procedure is better adapted to the specific areas and features of transactions between market participants than the standard court procedures;
- possible for the state budget savings if certain functions of state agencies serve the public self-funded by the business;
- creation of self-regulatory organizations may have a positive impact on the attitude of society to the business;
- sanctions applicable self-regulatory organizations, under certain conditions, cause less rejection than the sanctions imposed by the state (there is no confrontation between "good business" - "bad state").

The disadvantages of self-regulation:

- requirements for members of the organization of self-regulation, as a rule do not apply to outsiders (unless you are outsiders in the industry);
- if membership in the organization of self-regulation is a condition for formal or informal training of professional

activities in a particular area, there is a strong tendency to limit competition, create barriers to entry into the industry, which could lead to higher prices for the products of members of the self-regulatory organizations. This effect may outweigh the benefit from the introduction of self-regulation;

- often formal requirements for members of the self-regulatory organizations in practice are not met;
- self-regulatory organization may apply to violators of standards of conduct only a limited set of sanctions (warning, a public statement of the violation, in rare cases, fines, exclusion). Often, even this limited set of sanctions is not widely applied;
- there is a certain lack of confidence on the part of society's ability to regulate their own business areas and some control over the observance of the rules;
- objectively there is a contradiction between the objective to protect the interests of their own members, and business in general and the need to act in the public interest;
- the existence of an inefficient system of self-regulation may serve as an obstacle to the introduction of effective state regulation or co-regulation.

Thus, the self-regulatory organizations have the objective of comparative advantage in terms of providing effective control of the behavior of producers and sellers. But in some cases, these advantages outweigh the disadvantages. However, much of the shortcomings can be compensated by setting up special arrangements for the self-regulatory organizations.

Given the above advantages and disadvantages of self-regulation can be formulated as a set of conditions under which self-regulation may be actually more effective form than government regulation.

Terms of the effectiveness of self-regulation:

- self-regulation should really maintain high standards of business operation in a particular area, that is, have developed a set of rules, a system for monitoring compliance with these rules and sanctions. Sanctions should be applied to the real perpetrators and be meaningful to them;
- self-regulation should not impede effective competition in the market;
- self-regulation should ensure that the interests of members of the organization itself to the detriment of the public interest.

Classification of self-regulatory organizations

Self-regulation is realized through the establishment of special structures by market participants and delegation of powers to them, including the right to control the observance of "rules", application of sanctions for violation of these rules and resolve economic disputes between market participants as well as with outsiders. Most often, self-regulatory bodies are the Association of businesses with a fixed membership. However, not every business association is an organization of self-regulation.

Association business may be considered self-regulatory organization if its members have delegated it to the right to perform the following functions:

- develop a system of rules and standards of business practice;
- monitoring compliance with these standards and regulations;

- development and application of sanctions for violation of the rules (at least - to members of organizations such as the maximum - to all market participants);
- develop its own procedures for resolving disputes out of court, as between the members of the association, as well as with outsiders (especially with customers).

One of the goals of self-regulatory organizations may be of interest and the protection of the business community (industry or business in general) in the relationship with the state and other social forces. This function is not a hallmark of self-regulatory organizations for this purpose are other business combination, including having the character of the lobby. In developed countries, in some cases, this function can be almost completely atrophy at the self-regulatory organizations.

However, in Russian conditions to protect the interests of business, especially in relations with the state, it is extremely important. At the federal and local levels are often made regulations that infringe upon the rights of entrepreneurs. Departmental instructions are often not only difficult to the normal operation of companies, but also contradict each other. Widespread outrage of officials and auditors. Individual firms for various reasons are not always able and willing to argue with the government, business associations also make it considerably easier. Therefore, for the Russian conditions as the important task of self-regulatory organizations is to protect the legitimate business interests in relations with the state.

Performance or, in the Russian context at least a declaration, a business association of all the functions listed above, referred to as the self-regulatory organizations. In accordance with the criterion of a significant part of a very influential and powerful Russian business associations may not be currently classified as a self-regulatory organizations. However, the gradual transformation of the business associations in the organization of self-regulation is quite possible, as, indeed, the reverse process: the degeneracy of the self-regulatory organizations in the lobbying structure or in the interests of the club.

Concept, which is close to self-regulation is the so-called "co-regulation", that is, joint participation in the management of the state and the various market participants (not only producers but also consumers, infrastructure organizations, trade unions, etc.). Co-regulation allows for a balance of interests and to develop rules that are acceptable to all parties concerned.

The line between self-regulation and co-regulation seems to us very thin. Thus, in the leadership of business associations, with signs of self-regulatory organizations may include outsiders (scientists, representatives of consumer organizations, etc.). Often, the practice of bringing outsiders to monitor the activities of members of self-regulatory bodies and non-judicial settlement of disputes. Moreover, the presence of some form of co-regulatory elements may appear in many cases an important factor in the effectiveness of self-regulation as a social system. At the same time, it should share the self-organization (even with some participation of outsiders) and co-regulation. This distinction is fundamental for several reasons.

First, if the organization of self-regulation is primarily aimed at protecting the interests of businesses in this area, and the need to consider the interests of consumers or the threat of government intervention are perceived as external constraints, the organization and co-regulatory systems are used to align the interests of different players, including highly divergent. Often, there are elements of co-regulation

through the introduction of the management structure of large corporations (especially natural monopolies), members of the public, or government regulators of business and/or the public. That is, co-regulation can be realized through other organizational forms than the self-regulation.

Second, the different motivations of participants self-regulatory organizations, and co-regulation. If the self-regulatory organizations, a significant motive for the members is to obtain a competitive advantage and other private goods, the co-regulatory organizations solve the problem of balancing the interests of various market participants. Therefore, the business community in such organizations are involved, as a rule, not the individual companies and business associations, including the self-regulatory organizations, as representatives of business interests in the industry. Individual companies may participate in the co-regulatory systems in the event that private benefits from participation in this system (from the establishment of rules that take into account the interests of all sectors of business) exceed total costs. This is true, for example, for companies that are monopolies or dominant market position. In some cases, participation in the co-regulatory systems may be attractive for companies with smaller market share, which, however, are able to obtain other than the common market rules, the benefits of participation in the joint regulation (for example, the political effect on the owners or top managers of companies). For the majority of firms in the direct participation in the co-regulatory system is not attractive, because participation in such systems requires a certain cost, but it does not bring direct benefits in the form of competitive advantage, etc.

Organization of self-regulation are diverse. Here are several classifications of these organizations, which will allow a better understanding of different types. Organization of self-regulation can be divided according to the principle of association (the sphere of joint interests). According to this parameter are distinguished:

- industry, the organization uniting employers (firms) by industry basis;
- association "technology" (for resources), when the unifying element is not the general character of manufactured goods (services), and the use of similar resources and/or technology. Example: The Direct Selling Association, which includes companies that offer very different products (books, cosmetics, food additives, etc.), but use the same technology to promote products;
- interdisciplinary - combining the company, not related to either a common technology or general merchandise. An example of such an organization: U.S. BBB and their Russian counterparts.

"The scope of" self-organization largely determines the content of its activities and in terms of shared interests and interaction terms and in terms of interaction with outsiders. In the industrial organization of interests is much stronger than in organizations that are interdisciplinary in nature. However, and more opportunities for competitive clash of interests of members of the organization. Organizations "technological" community of interest on certain parameters can be quite high, but the number of common problems are usually limited. Perhaps the clash of competing interests, but it has its own characteristics. For example, for firms operating in the field of direct sales, the main field of competition - not the actual items offered, and the competition for sellers. For them, not so important, what to sell, how many - who and how will sell. In cross-sectoral organizations, on the one hand, the common interests of the

participants expressed not so clearly, and with another - that such organizations may operate on a wider field and to perform voice for business in general. Accordingly, different, and incentives for entry into different types of organizations, and a set of services.

Organization of self-regulation can be divided as to the principle of compulsory or voluntary membership. Mandatory membership is established by law and in some cases is a condition of employment of professional activities. In Russia, provides for compulsory membership of private notaries in the Chamber of Notaries (in accordance with the Fundamentals of Russian Federation legislation on notaries), lawyers - in law colleges. For a long time it was compulsory membership of professional stock market participants in their respective organizations (established by Presidential Decree № 1008 of 01.07.96, and abolished by presidential decree № 1756 from 16.10.2000). In foreign practice is often obligatory membership in professional organizations of doctors, lawyers, architects, auditors, etc.

Most self-regulatory organizations in Russia and abroad, membership is voluntary. Company enter into similar organizations in order to get any special services or competitive advantage in the market.

Voluntary or compulsory membership of a major impact on management within the organization (for organizations with compulsory membership can not "vote with their feet"). Of course, different and magnitude of the impact on the market. For organizations with obligatory membership of the implementation of the rules of the organization of self-regulation means that you can actually engage in professional activities.

In our view, useful for the analysis of specific self-regulatory organizations and to develop recommendations for the development of a classification based on the objective function.

This parameter can distinguish three types of self-regulatory organizations:

- regulations;
- the collective;
- shop.

Actually operating the organization may have different types of features can be transformed from one type to another. However, in our opinion, the majority of existing organizations may be a sufficient degree of confidence assigned to a particular type. Let us consider each of these types.

For regulatory agencies include organizations such self-regulation, the dominant objective function which is to regulate the relevant industry or market segment.

This suggests that the establishment of certain standards of members, monitoring compliance with these standards and sanctions for violations are not a means to achieve some other goal, such as competitive advantage, but the immediate goal of the organization.

Achieving this goal involves formal or informal transfer state regulatory functions of such an organization. The formal transfer, as a rule, on the basis of law or other regulation. This can happen in the law by assigning the rights and responsibilities of self-regulatory organization with respect to members of the organization and to the state (for example, the responsibility to professional standards and monitor compliance, evaluate the level of training of market participants, etc.) In some cases, this transfer of power can occur through formal recognition of the state bodies of codes of conduct and self-regulatory organizations, giving them

the status of the instrument. This practice is widespread, for example, in the UK.

There's also an informal transfer of functions of state regulation of self-regulatory organizations. It usually occurs in areas where special State regulations yet. If a business has time to establish an effective system of self-regulation before will be taken appropriate legislation, there is a chance that a special state regulation does not appear. In this way any American organizations that operate in the field of advertising it as a governing organization.

The condition for the successful implementation of the regulatory function is the ability to influence self-regulatory organization for the entire market or at least its major part. Otherwise, he lost sense of control. The achievement of this provision may in several ways.

The simplest way may be legislative consolidation of mandatory membership in the organization of self-regulation (as an option in one of several organizations). In this case, participation in the organization of self-regulation and, accordingly, compliance with performance standards adopted by it, is a condition for holding a certain kind of business. This ensures full control of the organization for the conduct of professional activities in a particular area. This, for example, the scheme of the Russian Federal Chamber of Notaries. The same scheme is operated in the stock market before the abolition of compulsory membership.

Chance and the softer option: exercise a certain kind of activity is possible without membership in the organization of self-regulation, but the existing tradition of making the position of outsiders is much less profitable than insiders. In order for this scheme to work, the market must exist strong traditions and a pronounced preference of consumers. Therefore, this situation can be either in the traditional areas where self-regulation works for decades and even centuries.

An example is the situation with membership in the British Medical Association. Organization of self-care areas are in the UK. The first and so far the largest organization, General Medical Council (GMC), with almost 200 thousand practitioners, was established in accordance with the law of 1858 created similar organization for pharmacists, paramedical staff, representatives of individual health professionals (dentists, physiotherapists etc.). Their task is to:

- establishment of professional standards;
- monitoring compliance with these standards by members, sanctions for violations of standards;
- work with consumer complaints and dispute resolution;
- maintaining a register of members.

Only members of the organizations can use certain titles, only the members of such organizations of self-regulation can work in the NHS (National Health Service, NHS). Direct prohibition for non-members of organizations to practice medicine in the UK legislation does not, however, the demand for medical services not included in the relevant organizations and, accordingly, the level of income is much lower. Therefore, only less than 10% of British physicians practicing this activity is carried out, not being members of relevant professional associations.

Another option for the full implementation of the regulatory function is when the self-regulatory organization may distribute their own standards and requirements are not only members but also to all market participants. In this case, the existence of strong informal norms that make the sanctions on the part of outsiders to the organization of effective

self-regulation. A set of such sanctions is objectively limited: only varying degrees of public condemnation. In this case, the position of self-organization in relation to the market participant - not a member of the organization should have a real impact on the behavior of consumers and other contractors for the relevant company.

Self-organization, representing the collective organization is focused on generating competitive advantages through the use of a collective trade mark. In this case, maintaining high standards of business conduct is a means to provide a competitive advantage, not an end in itself. In Russia, the organizations of this type include the Direct Selling Association, the Guild of Realtors and several other organizations.

To the existence of such organizations to make sense, in terms of participants, it is necessary that the following conditions:

- maintenance of collective organization;
- maintaining high standards of business conduct and the availability of dispute settlement system should be an important factor in promoting the collective organization.

In these conditions affected by many factors: the level and form of competition in the market, price elasticity of demand and non-price factors, the degree of state regulation of the market, etc. Consider some, in our opinion, the most significant:

- the effective maintenance of collective forms of self-regulatory organizations are more likely in areas of complex production and supply of goods or services, the measurement of quality to which consumption is associated with high costs. In this case, third party guarantees are an important factor in consumer choice;
- the creation of collective self-regulatory organizations, perhaps in industries where there is no strict government regulation of the de-facto. If the State has established and effectively maintained high standards of doing business, further raising the standard in order to create competitive advantage is unlikely to be cost-effective. We emphasize that this is not about the presence of regulatory requirements as such, but the real control over their compliance with the state;
- collective self-regulatory organization may become attractive only for a very low standard of general business. If for some reason customers are offered high quality products in general, the competitive advantages of setting high performance standards become less significant;
- competitive advantages at the expense of collective self-organization are not essential to the fast-growing markets with high profit margins. While customers and profits enough for all, establishment of such a complex mechanism is hardly economically feasible.

At the "mature" market, with falling profit margins search of unconventional forms of competition becomes much more attractive.

The main purpose of guilds - the maintenance of a closed corporation (workshop) with a guaranteed level of income and comparative competitive advantages of the participants. For this type of organization is characterized by:

- limiting the number of participants;
- domestic rather than public control over activities of the scheme members;
- important role of traditional and informal rules of the organization.

In other words, these organizations really are characteristic features of the guild system.

Appears on its face departmental organizations are often similar to those governing: the same desire to collect all the regulatory functions, consolidate, where possible, their own exclusive position of the law and regulations, etc. However, between these types of organizations, there are significant differences. The guild organization is not so much seek to control all market participants as to take advantage of for their own members. Such benefits can be maintained traditions and law. For this type of organization is not so important, whether the act in the market outsiders, but the fact that members of the organization had significant advantages over outsiders.

Craft organizations are most common among highly skilled and highly paid professionals: doctors, lawyers in different fields. They tend to involve the membership of individuals. Many such organizations have a long tradition and are indeed the heirs of the medieval guilds. Building on the traditions and stereotypes of consumer behavior often allows such organizations does not take care of the maintenance of high standards: a positive long-established brand is working for these organizations and with a decrease in standards of operation.

One of the hallmarks of guilds is the desire to set high entry barriers. In some cases, these organizations directly limit the number of its own members. In some - establish a complicated procedure of entry into the organization: the change difficult qualifying examinations, requirements for work experience, test dates, etc. In addition to non-monetary barriers to entry in the membership of such organizations can be also very expensive. These measures are aimed primarily at maintaining the aura of exclusivity and corporate closure, as well as to maintain a certain (high) income level of the organization.

Another feature of the guilds is that professional standards are not always codified. Thus, the majority of Russian lawyers agree with the existence of "professional ethics attorney", even more or less agree on what is meant by that. However, a document adopted by the Bar Association, and codifying these principles do not exist.

Thus, the self-regulatory organization, having a common distinguishing features are varied. Accordingly, can vary significantly and recommendations on the effectiveness of such organizations.

Models of public-private partnership of business and government

Subject public-private partnership was the reaction of the scientific community and economic practices in the absence of explicit policy successes of state regulation of economy and business. This is a consequence of the weak state of scientific and technical and industrial policy (in the field of scientific research and experimental development), stagnation of certain branches of production and social infrastructure (housing and utilities, transportation, etc.), and the inadequacy of the Russian business environment, which currently, the results of research, not a source of innovation-based growth.

The motive for the search options of interaction between government and business under the new organizational forms, including public-private partnership is for both parties. The state declares a transition to an innovative model of development and the creation of institutions that have relied on long-term interests of society. Business, in turn, has reached the limit of export-oriented model and needs in partnership with the state in the process of entering into

new high-tech markets, at least in part to reduce administrative barriers and reduce uncertainty.

The accumulated achievements of economic science (the use of contract and project approaches to legal and economic alliances) and practices in the study of interactions of government and business allow us to formulate and propose three types of interactions for possible implementation in our opinion in the form of public-private partnerships:

Model of financial partnership

The state in this model stands in relation to the business as a financial partner. This pattern of interactions may be the most popular because of its simplicity, accessibility to both sides and the lessons learned this kind of interaction. In this model may operate such mechanisms of state support of business, such as:

1. Allocation of expenses with equity participation of the state of the funds of the federal budget and extrabudgetary funds to finance projects of the priority directions of development of society and business.
2. Management of joint government and business activities on a shared basis for projects of investment in innovative developments.
3. Cooperation within the system of administrative interaction, working to subsidies from the federal budget of the interest rate on the loan, taken by non-state.

Outside the harmonization of the interests of business and government can not hide the risk is not proper use of financial resources. There may be conflicts of interest within private-public partnership. We can not exclude attempts to excessive state intervention in the sphere of business interests more than the thought acceptable, and to demand in exchange for the resources of the decision-making in the operational management of the project. There is no guarantee that the state of successful projects can be kept within a reasonable claim to ownership of and participation in governance, thereby creating a precedent for the conflict. However, if the rules will be respected by both parties, the role of arbitrator and the recipient's social and political benefits, the state may be more successful than in the role of manager and entrepreneur.

The model material and real partnership

It is based on the use of state resources that are not financial, but material content. These resources, we include state ownership, the various rights of the state in relation to private enterprises, intellectual property, etc.

As the results of investigations, the State failed to make significant progress in the direct use of such resources on a number of reasons: they are difficult to formalize and ill-equipped laws and procedures, so the manipulation of financial instruments does not require special skills and a willingness to take risks. At the same time at the present stage of industrial restructuring situations managed bankruptcy, consolidation, market entry and exit in different industries to do business, is perfectly suited for the implementation of public-private partnership is through such ownership and use of tools. Therefore, the most appropriate mechanism in this case include:

1. Bankruptcy and restructuring of enterprises with legal and administrative resources of the state.
2. Crisis management and reorganization of enterprises.

The success of the projects are not sharing financial resources and the rights of the state to enterprises may be the presence of strong management and involvement of professionally trained experienced external consultants who

will be able to phase matching and reconciliation of interests of participants. It is important that external commands in a position to get a "mandate" of trust from both the business and the state and become a strong power "fulcrum" that could eliminate or overcome the inter-departmental conflict.

In addition, an important factor in the success of such projects was the provision of management rights business partner while maintaining the state the right to intervene in the case will be broken first agreed outcome indicators project. The state should deliberately go for part-time visibility of what is happening by monitoring mainly in the final result.

The results obtained by the state, the potential will be higher than expected revenue of the state. Private partners of this interaction is able to achieve such a situation due to the fact that business, because a better understanding of market realities, the ability to conduct business talks and likely will be able to profit from the joint use of state property and accumulated debt. Significant losses in this model may be incurred by lenders and small businesses that are created around the parent companies. It seems that such institutions can only operate as a business organization and to have a substantial "margin of flexibility" in terms of varying forms and conditions of interaction with partners.

The administrative partnership model

It is based on an administrative government involvement in the implementation of projects in conjunction with business, which involves the formation of the institutional environment in such areas as:

1. Use administrative resources of the state to provide guarantees to private international and national financial institutions in the implementation of major business deals by Russian companies.
2. Information and political support by government organizations. In this direction, the state provides for individual companies (or groups of companies), conditions (presentation, "round tables", seminars, etc.) to find and communicate with foreign (or domestic) partners.

Some of these projects have the potential to enter the ones that the state can contribute to the successful implementation of business goals (for example, the construction of export-oriented process of production and sales of high-tech area). Using these "soft" levers of influence as a political lobbying exports, creating a politically prestigious order for contacts between businessmen and even the abandonment of restrictions on risk-taking businesses public sector. In such projects, private business, government and financial institutions can work together to create greater trust between the industrial and financial partners of the project, not only in terms of financial resources, reputation, and many opportunities to provide guarantees for the execution of contractual obligations to compensate the so-called "restrictive conditions". The most high transparency and discipline to build a business, in our opinion would be different projects supported by the Institute of outside consultants with preservation of the veto management decisions on the lender.

The advantages of "soft" forms is that the state is able to seriously help the business, providing easy access to the "sphere of greatest influence", where potential international or domestic partners may agree on the interaction with a positive impact even formalized guarantees from the government. Important to build an extensive infrastructure of these institutions, who have learned to use the political support and "soft" administrative resources.

Conclusion

Creating public-private partnerships may, in our opinion, based on the following principles:

First, in a free and equal basis for both business and government, providing a contractual nature of the interactions and self-regulation. To implement this principle, in our opinion more suitable form of alliance.

Second, the creation of institutions and trust, reducing administrative barriers, uncertainty, and state support in the project area.

Thirdly, the separation of economic and political benefits of the partnership. Business must be owned by the economic benefits, and the State - the political, social, etc. That is, business and government in the implementation of partnership projects can be based only on their characteristic features. Initiation of innovation, resource efficiency, profit maximization, market capitalization, the use of the property - the sphere of competence and business functions, while the organization of interests, conflict prevention, business and social groups, the provision of "administrative resources", the admission into the sphere of public interest, and other "soft" measures - must comply with the competence and functions of the state.

Fourth, each project is unique partnerships and alliances are not a panacea for solving all problems of interaction between business and government, that is, each option takes into account the interaction of only the specific claims of participants in a particular place and time. Therefore, the study of the experience is recommended but not replication should be welcomed.

Fifth, the need to understand that institutional innovations may suffer disabilities, and experience to be unsuccessful.

Sixth, the informal nature of public-private instruction, it is justified in an era of transformation can become a problem over the years, rather than a way of solving problems. Despite the possible increase in transaction costs arising advisable to carry out alliances through bureaucratic procedures and institutions.

Seventh, the project shall consist of teams of trained specialists motivated by the prospect of federal agencies; optimistic representatives of developing a healthy business, experienced and pragmatic consultants have experience of successfully organizing complex projects on public-private field, attracted experts pragmatists - experts on the markets and mechanisms.

Thus, public-private partnership model "of society - the state — business", is the mechanism of interaction between these parties and form a joint management of priority areas of the economy.

REFERENCES

1. Hilman, A. (2009). *The State and Economic Policy: Opportunities and constraints of management*. Moscow: HSE Press.
2. Kovalenko B. (2004). *Institutional reforms - the basis of the formation and state regulation of corporate structures*. St. Petersburg: StPSUEF Press.
3. Kasyanov, G. (ed), (2011). *Licensing and self-regulation*. Moscow: ABAK Guarantor.
4. Kharchenko, E. & Vertakova, Y. (2011). *State regulation of the national economy*. Moscow: KnoRus.
5. Mezheraups, I. (2006). *Corporate governance and self-regulation in the system of institutional change*. Scientific papers. Moscow: IET Press.
6. Novoseltseva, G. (2006). *Transformation of state regulation of a modern economy*. Moscow: Economics.
7. Vasiliev, V. (2010). *State regulation of the economy*. Moscow: Business and Service.