strengthen the moral, administrative and material responsibility of managers and performers for the implementation of measures taken at all levels of government.

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## REGIONAL DEVELOPMENT AND POLICY IN ESTONIA: TO WHAT EXTENT?

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Abstract - the main purpose of the article is to analyze the regional development and policy in Estonia. The key place in the regional development in Estonia is held by the development of centers and making better use of regional differences. This new regional development strategy harmonizes the state's general framework for regional development, its goals and a plan for its implementation. This strategy will guide each ministry in the framing of their long-term plans - the ministries' specific functions are enumerated in the strategy's implementation plan. The new regional development strategy is also one of the foundations for the adoption of euro-money in years to come.

Keywords: regional development, policy, government functions, Estonia.

**Introduction.** This new regional development strategy pays closer attention to the uniqueness of each area and brings out four major regions of growth along with their needs and opportunities for development. Each region should focus on developing certain advantages for areas of enterprise which have the greatest potential for growth, which should not at the same time weaken the flexibility or diversity of the entrepreneurial structure of the region. Each year a big amount of regional development support programs and schemes are financed from the state budget. As some of them are aimed at supporting only specific regions, the rest cover the whole country. At the same time, they all aim to guide the national regional development and improve the preconditions for the development of various regions in Estonia (Regional development and policy).

Regional development and policy: goals and action plans. Main strategic goals are divided into four major groups: An environment for life and enterprise in the active regions, which supports their wholeness and competitiveness. In order to shape a balance against the draw of larger urban centers with stronger active regions across Estonia, having improved environments for living and entrepreneurship as well as diverse work, service and activity opportunities. An environment in major cities that promotes competitiveness in the international economy. In order to increase the importance of our urban areas as centers of growth for innovative and science-intensive economy with the help of an increasingly attractive living environment. Exploiting region-specific resources with greater skill. This promotes specialization in growing areas of competence and enterprise according to region-specific conditions, and an increasing clarity in the uniqueness of different areas. Greater connectedness and ability to grow. For regions to achieve a stronger ability to develop by greater inter-regional connectivity and increasing efficiency in regional cooperation and capacity for growth. (Regional development and policy). Estonia's regional policy goal is to use the potential specific to each region; it has so far failed to counter the increasing concentration of economic activities around Tallinn and Tartu. Estonia's regional development is affected by trends like automation and artificial intelligence applications, dispersed energy production and spreading of new forms of work, stricter environmental standards and change in consumer preferences, as well as urbanization and counter-urbanization, and increasing values of several mineral and natural resources. (Regionalsemajandusearengud)

There are different characteristics describing government functions. Government does exist for two main functions: establish property rights and set the rules for income and wealth redistribution (rule and law based); provide mechanism to allocate scarce resources, when market economy fails to do so. Without government interfere companies might start to produce too much of same goods and services (Parkin 2008). Government also deals with economic problems like antitrust laws and regulations of monopolies, externalities, provision of public goods, the use of common sources and income redistribution, improvement and education of workforce etc. It is clear that all the mentioned functions are important for society's well-being. Government sets preconditions for growth. For economy to work, government has to give people right incentives, government creates the space within households and firms can operate and make transactions

(Gagliardi 2008). If government is not able to provides this space for reasons like weak institutions and rule of low or inappropriate economic policies or political system, the citizens of this country will be less able to create prosperity or not able to do it at all. The opinion exists that no unique political system is necessary to do the work. Governance aspect here comes in, government has to ensure that companies can do business by free monetary exchange and rule of law is established to respect property laws and social agreement. At this point governance power enables economic growth but does not make it inevitable (Parkin 2008). Therefore, institutions have to be in place to make individuals more willing to take collective action and make everyone in a society better off. Institutions are formal rules like contracts, and political and economic rules, and informal norms such as norms of behavior, codes of conduct and conventions; also, organization, for example, universities, government agencies etc., can be institutions. The South-East Estonia Action Plan aims to increase the national security in relevant border regions through improving the local employment and labor market, increasing the distance working opportunities, more active social inclusion of the local residents and improving the connectivity conditions with the main rural centers. The East-Virumaa Action Plan aims to increase the reputation of the area and coherence with the rest of Estonia through improving the versatile living and entrepreneurial environments, increasing conditions for modern and highly productive economic activities, which provide better living, working and resting opportunities. The European Union support will be available on the following main areas: industrial and entrepreneurship sector infrastructure, development of incubation and product development opportunities, development of tourism attractions and tourism networks. In bigger cities and urban centers, the focus is on improving the sustainable urban mobility and increase of childcare places.

Conclusion. Regional policy centers on large regional differences, the concentration of the population and economic activities in cities against the background of a decrease in population, the weakening of second-tier centers and the large distances that curb the development of rural areas. In accordance with the regional development strategy, the state is working to ensure consistent growth in all areas, applying the unique potential available due to each area's peculiarities. The national competitiveness based on regional strengths and the benefits of a growing economy reaching all areas. Ensuring the essential benefits for good quality of life (employment, services and various activity opportunities) in all regions.

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## ЧЕЛОВЕЧЕСКИЙ ФАКТОР В ЦИФРОВОЙ ЭКОНОМИКЕ<sup>1</sup>

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Резюме — в статье рассмотрены особенности формирования человеческих ресурсов в цифровой экономике, произведена оценка роли человеческих ресурсов в развитии инноваций в Беларуси в контексте европейских показателей, выявлены проблемы современной системы финансирования образования и науки для формирования конкурентоспособной экономики, даны рекомендации по совершенствованию показателей оценки качества человеческого потенциала для развития цифровой экономики.

Ключевые слова: человеческий капитал, цифровая экономика, образование, переподготовка кадров, оценка человеческих ресурсов, инновации.

Введение. Новые технологии, такие как робототехника, автоматизация, искусственный интеллект, основанные на результатах научных исследований и разработок, заставили многих аналитиков задаться вопросом, приведут ли эти технологии к сокращению общего количества рабочих мест и каким образом будут они оказывать влияние на определенные группы населения, особенно имеющих низкую и среднюю квалификацию. Несмотря на то, что современные технологии и инновации создают новые рабочие места, неясно, будут ли они делать это со скоростью и масштабами, необходимыми для компенсации сокращения рабочих мест, связанные с их внедрением. Аналитики McKinsey считают, что развитие цифровой экономики к 2030 году заставит от 30 до 40 процентов всех работников в развитых странахперейти на новые профессии или, по крайней

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