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Industrial Policy and Transformation of the Consumer Market of the Russia's Arctic Regions *

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Abstract. The article considers the state of industrial policy in the subjects of the Arctic zone of the Russian Federation both in terms of the status and dynamics of the regional consumer market and the mechanisms of state regulation and support. In the current situation of economic sanctions and external threats, the main problems of the consumer market are the following: rising prices, transformation of transport and logistics schemes, declining quality of goods and services, reduction of their assortment. Opportunities for solving them could include: location of production sites closer to the end consumer, inter-production and interregional cooperation and specialization, state regulation and compensation of fuel, energy and transport tariffs, infrastructure development. The article considers a number of generalized cases of consumer preferences formation depending on the goods belonging of local producers to this or that sector of the "Price x Quality" matrix. A number of systemic problems associated with the need for local producers to respond to the transformational changes to which the regional consumer market is exposed today has been identified. In order to create a set of support measures and effective tools, it is necessary to develop a system of long–term guidelines and strategizing in the field of regional industrial policy: on the one hand, it is integrated into the state vertical of industrial management, on the other hand, it takes into account territorial features, industrial potential and consumer expectations of the population in the regions. Based on the analysis, the authors propose to create a single document in each region of the Russian Federation with the working title "Fundamentals of regional industrial policy and consumer market development".
Keywords: *North, Arctic, region, socio-economic development, transformation process, import substitution, industrial policy, consumer market*

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Introduction

The current state of domestic industrial production is quite far from the desired and annually announced in the Addresses of the President of Russia to the Federal Assembly. The basis of

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exports is still formed by products of low processing — oil, gas, coal, metals. On the contrary, the domestic market of high-tech goods is characterized by a high dependence on imports, reaching (for high-tech goods) in oil and gas engineering — 47.3%, and in machine tool building — 70–80% (for certain types of equipment) [1, Manturov D.V., p. 8].

Today, in the context of severe economic sanctions against Russia and current external threats, import substitution of goods, products, works and services of European and American origin is one of the priorities of state policy and the logic of economic entities' actions, which requires not only revision, but also development of new measures to support domestic industry and Russian market. It should be noted that in the situation of ongoing geopolitical changes and the turn of transport and logistics flows towards India and China, the issues of the development of the Northern Sea Route and the Arctic territories of the Russian Federation are of particular relevance.

It is well known that the regions of the Arctic zone of the Russian Federation, having a number of specific problems and peculiarities described in detail in [2, Tutygin A.G., Chizhova L.A.], have a high demand for reformatting the current system of strategic and target-program documents, which, in turn, will lead to significant changes both in the consumer market and in the behavior of its participants. It should be noted that the state of the consumer market, including the level of prices for essential goods and services, their range and quality, determines the level of personal consumption, the level of development of industrial relations, the stability of monetary circulation, and the standard of living of the population.

One of the most important areas of socio-economic development of any subject of the Russian Federation is the formation of a regional industrial policy, which, on the one hand, is part of the industrial policy of the state as a whole, and on the other, an integral part of the regional strategy. Today, there is a critical discrepancy between industrial policy as a system tool for making strategic decisions at the state level and the consumer market as a set of end consumers (buyers) of goods and services. This problem is addressed in this paper.

Regional industrial policy

Russian legislation defines industrial policy as a set of legal, economic, organizational and other measures aimed at developing the industrial potential of the country, ensuring the production of competitive industrial products [1]. At the same time, one of the goals of this policy is to improve the living standards. The participants of the formation of the domestic industrial policy are the state authorities of the federal and regional levels, local self-government, business entities and industrial support infrastructure organizations. Thus, the formation of industrial policy is carried out both at the level of the country as a whole and at regional sites. This is confirmed, for example, by the recently published government document, which amends the state program of the

[1] Federal'nyy zakon "O promyshlennoy politike v Rossiyskoy Federatsii" ot 31.12.2014 № 488-FZ [Federal Law "On Industrial Policy in the Russian Federation" dated December 31, 2014 No. 488-FZ]. URL: http://www.consultant.ru/document/cons_doc_LAW_173119/ (accessed 26 April 2022).

Russian Federation "The development of industry and its competitiveness" [2], which, in particular, establishes a fairly rigid system of requirements for the content of events and performance indicators for relevant regional programs.

The constituent entities of the Russian Federation have their own legislative and other normative legal acts. For example, in the Arkhangelsk Oblast, the law on industrial policy was adopted in 2013, and the state program "Economic development and investment activity in the Arkhangelsk Oblast" includes the subprogram "Development of industry and investment activity in the Arkhangelsk Oblast" [3]. However, it should be noted that the "Industrial policy" itself as a separate strategic document that sets long-term guidelines for the industrial development of the territory, is currently absent in this region.

If we take a close look at the above mentioned policy document on the development of industry in the Arkhangelsk Oblast, the first thing that can be noticed is its pronounced focus on supporting the export-oriented sector. Even today, under conditions of severe foreign economic sanctions, support for the export component of the regional economy continues to be one of the key priorities of the authorities. Historically, this can be explained by the fact that since the times of the USSR, the Arkhangelsk Oblast was considered as "the all-union sawmill" and "the currency shop of the country" [3, Smetanin A.V.]. Secondly, the traditional export goods of the Arkhangelsk Oblast have always been and still remain wood and pulp and paper products, rough diamonds, fish industry products, which, as a rule, have a low degree of processing, which means they have a low share of added cost.

In the planned Soviet economy, such specialization of regions, including the division into "raw materials" and "processing", was quite common, and the supply of the population with consumer goods and food was purely distributive in nature. As it was mentioned in the reference book published in 1976 [4, Kurotchenko V.S.], which was the reference book of USSR Gosplan and Gossnab managers and specialists, "the material and technical supply of the national economy is a process of production means distribution and organization of their rational circulation implemented by socialistic state in a planned manner. However, today, the market economy dictates other conditions, often coming into conflict with the principles of centralization of production and distribution systems. Therefore, one of the tasks of the regional industrial policy should be to link the needs of the population with the offers of local producers of goods and services. At the same time,

[2] Postanovlenie Pravitel'stva RF "O vnesenii izmeneniy v gosudarstvennuyu programmu Rossiyskoy Federatsii "Razvitie promyshlennosti i povyshenie ee konkurentosposobnosti" ot 02.06.2022 № 1012 [Decree of the Government of the Russian Federation "On Amendments to the State Program of the Russian Federation "Development of Industry and Increasing its Competitiveness" dated 02.06.2022 No. 1012]. URL: http://publication.pravo.gov.ru/Document/View/0001202206060009 (accessed 07 June 2022).

[3] Postanovlenie Pravitel'stva Arkhangel'skoy oblasti "Ob utverzhdenii gosudarstvennoy programmy Arkhangel'skoy oblasti "Ekonomicheskoe razvitie i investitsionnaya deyatel'nost' v Arkhangel'skoy oblasti" ot 10.10.2019 № 547-pp. [Decree of the Government of the Arkhangelsk Oblast "On Approval of the State Program of the Arkhangelsk Oblast "Economic Development and Investment Activities in the Arkhangelsk Oblast" dated October 10, 2019 No. 547-pp.] URL: http://publication.pravo.gov.ru/Document/View/2900201910180004 (accessed 07 June 2022).

the emphasis should be placed on the development of domestic brands and trademarks, and production should be optimally brought closer to the end consumer. This is especially true for natural food products (milk, meat, fish, vegetables), which are included in the food part of the consumer basket and have the potential for production in this territory.

The tasks of regional authorities include, on the one hand, the creation of conditions for the development of local producers, on the other hand, the formation of a stable competitive environment on regional markets. At first sight, these two tasks are oppositely directed both in terms of goals and implementation mechanisms: direct lobbying on the one side and market diversification on the other. As a variety of practice shows, to solve the first of these tasks, it is sometimes enough to take administrative and organizational measures of regional protectionism of local products and the introduction of various barrier restrictions for imported goods, accepted even within the framework of the existing legal framework. At different times and in different regions, measures such as granting additional preferences of permissive, property, tax, financial and other nature to local enterprises, inducing trading organizations to conclude agreements specifying a minimum share of local products in the product range, etc. were quite popular, and in some regions they still are today. However, administrative and organizational measures will not be sufficient to promote competition in the region. Economic and social mechanisms of motivating and stimulating nature should prevail in solving this problem. However, this topic requires a separate discussion, clearly beyond the scope of this article.

The harsh conditions of the North and the Arctic impose their impact on the activities of economic entities both in the field of production and related infrastructure, and in the system of trade and logistics relations [5, Tutygin A.G., Chizhova L.A., Lovdin E.N.]. For example, a cold climate and low average annual temperatures with the seasonality factor lead to large volumes of energy consumption, high tariffs, higher prices for products, works, services, as well as to the presence of rather high risks of economic activity. Problems with the inaccessibility of territories that do not have sustainable year-round transport links affect the low communication and logistics activity of local producers and their wholesale partners.

Consumer market in regions

The consumer market is a mobile structure that is sensitive to any socio-economic changes. The system of internal and external factors influencing the regional consumer market is shown in Figure 1.

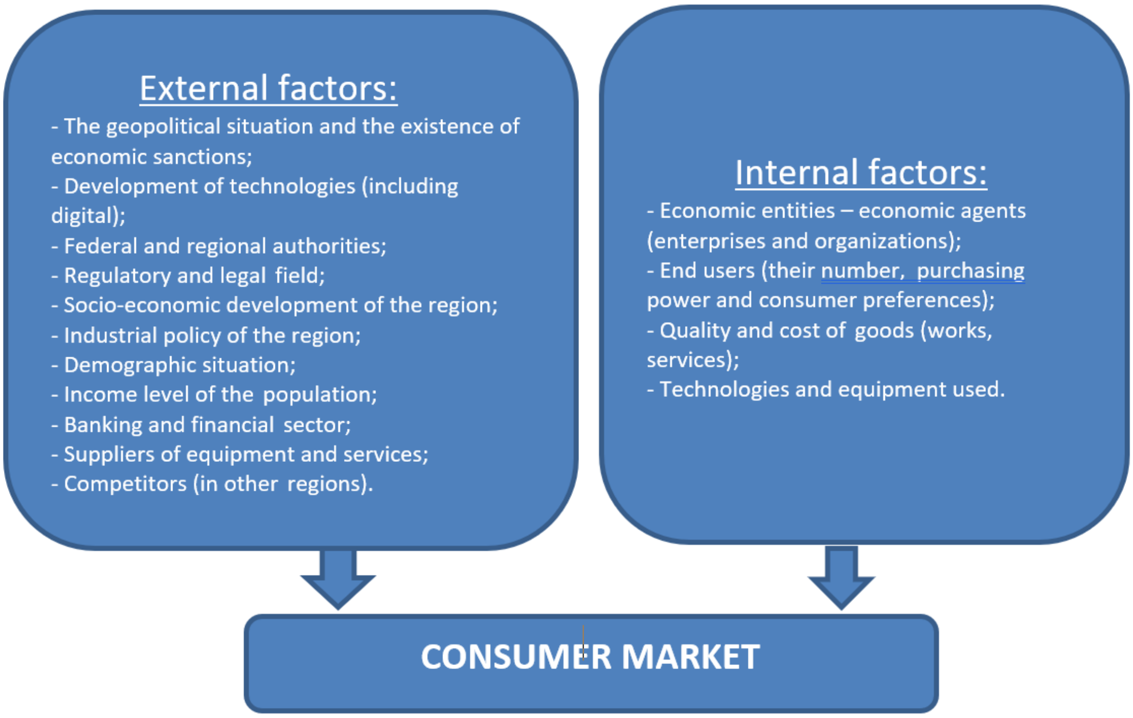

Fig. 1. The system of factors influencing the regional consumer market.

The consumer market is a kind of springboard for the formation of consumer behavior of the population. The two key conditions presented by the market are price and quality, so transformational changes in consumer behavior should primarily be considered in this system. At the same time, other equally important factors that have an external origin in relation to the consumer market also influence consumer behavior. They, in turn, may also lead to significant transformations that cannot be directly explained by intramarket factors. Such factors include, for example, targeted information impact that deforms natural expectations, various phenomena of group behavior and communication effects [6, Andreeva E.V., Gerasimova S.A., p. 154].

The formation of consumer preferences under the conditions of import substitution by goods of local producers in the coordinates “Price x Quality” is shown in Figure 2.

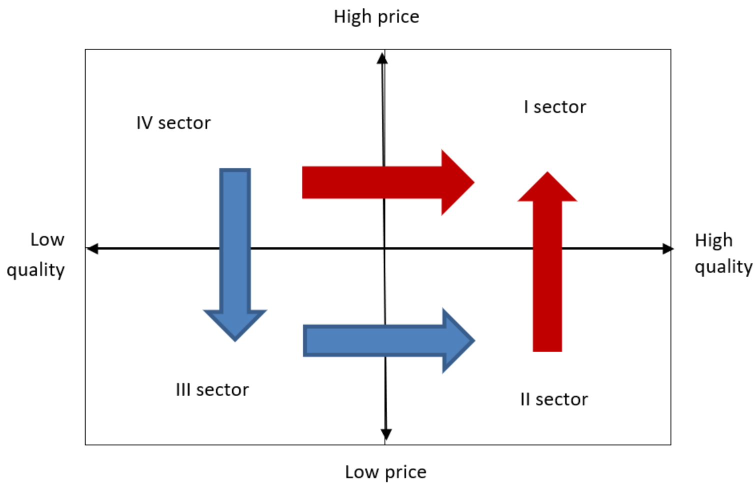

Fig. 2. Matrix of consumer preferences formation.

Let us consider a number of generalizing cases of the formation of consumer preferences, depending on whether the goods of local producers belong to one or another sector of the “Price x Quality” matrix.

Belonging to the first sector of the matrix means that the local manufacturer is a recognized leader in its industry, its products with high quality characteristics are in constant demand, despite the rather high price. At the same time, high-quality foreign analogues of such products have a higher cost, as a rule, due to belonging to a well-known brand. This sectoral affiliation is ideal and is considered as a target for local producers belonging to other sectors of the matrix. However, this position also has its risks. For example, a study of consumer preferences in the organic food market conducted in 2019–2020 showed that, on the one hand, about two-thirds of consumers are willing to pay more for organic products, and on the other hand, the need to save overrides the desire for healthy eating (40% of respondents are not willing to pay for high quality products), while the number of such consumers has been steadily increasing over the past years [7, Cheremushkina I.V., Oseneva O.V., p. 171]. At the same time, as today’s examples from the local food industry show, the increase in the cost of imported ingredients is already practically nullifying the price difference between goods from abroad (or goods produced using such ingredients) and local natural high-quality, but not cheap products, which ultimately eliminates the risks noted above.

The positioning of goods in the second sector indicates either a high social responsibility of the manufacturer offering high quality goods at an affordable price, or the subsidized component of this production of vital products from the state (subsidies, compensation, etc.), seeking to ensure population of a certain group of goods at regulated or fixed prices.

The third sector is associated with the manufacturer’s choice of a strategy that allows him to earn on the scale (volumes) of production and sales while maintaining low prices in combination with low product quality. If we turn to the example of trade organizations, these are the Svetofor, FixPrice, Dobrocen networks, where most basic necessities are about 30% cheaper to buy. This is achieved through a narrower assortment and partnerships with specific producers, savings on transport and logistics, maintenance of these goods in stores, reducing staff costs (involved in receiving, laying out and maintaining it in stores of a different format).

The fourth sector is determined by the ambiguity and instability of the position of the commodity producer, since when selling low-quality products at a high price, the entry into action of competitive forces is only a matter of time. However, under conditions close to force majeure, in short periods, taking such a position was even justified in some ways (suffice it to cite a recent example with an outbreak of shortages and rush demand for sugar, cereals, canned food, etc.). But in the longer term, a local producer has only two possible ways to stay on the market: either improve the quality of products or reduce the price (simultaneously implementing two directions of movement is often unrealistic).

Possible transitions from one sector of the matrix to another are indicated in figure 2 by arrows, while the red ones reflect the most preferable trajectories for the commodity producer in terms of maintaining market equilibrium. We also note that in the context of the digital economy and the development of marketplaces, manufacturers need to move from the already largely outdated "produce and sell" business model to the modern "understand and respond" model, which involves the creation of more original and technically more advanced products with the obligatory attribute of customer focus [8, Oyner O.K., p. 5].

Consumer market transformation

The management of consumer preferences, especially in the situation of import substitution, should be reduced to encouraging local producers to improve the quality of their products, bringing them as close as possible to the corresponding characteristics of their foreign analogues (Fig. 3).

Fig. 3. Scheme of consumer preference management.

It should be noted that, influencing the change in consumer preferences, the authorities change the structure of demand through the legal, administrative, regulatory, compensatory and other mechanisms, which in turn determines the structure of supply and, as a result, the structure of incomes of producers, that requires consideration in the preparation of strategic decisions, including those related to food security and the shortage of high-quality consumer goods [9, Samygin D.Yu., p. 63].

Taking into account the current situation of economic sanctions and external threats, the main problems of the consumer market are the following: rising prices, transformation of transport and logistics schemes, decrease in the quality of goods and services, and reduction in their range. The possibilities for solving them can be: location of production sites closer to the end consumer, inter-production and inter-regional cooperation and specialization, state regulation and compensation of fuel, energy and transport tariffs, infrastructure development. Let us present some key problems of the regional consumer market and the possibilities for their solution in the corresponding matrix compiled according to the "Problems × Opportunities" type (Table 1).

Table 1

Matrix of problems and opportunities for their solution for the regional consumer market[4]

Problems	**Solution possibilities:**			
	Placement of production sites	*Inter-production and interregional cooperation and specialization*	*State regulation of tariffs*	*Infrastructure development*
Price growth	The lower the costs of transport logistics (both relative to suppliers of raw materials and end users), the lower the prices.	The creation of strong inter-production and interregional ties will help to stabilize prices.	Reduced tariffs should be established for the production of essential goods, as well as groups of goods that are strategically important for the development of the territory.	It will optimize transport and logistics processes and reduce the time and cost of delivery.
Transformation of transport and logistics schemes	The approximation of production to the sources of raw materials and the consumer.	It will lead to the optimization of transport and logistics processes within the regions and the country as a whole.	In order to ensure accelerated import substitution, it is necessary to establish reduced tariffs for affected enterprises.	It will facilitate the debugging of transport and logistics processes and schemes in a milder form and in a shorter time interval.
Decrease in the quality of goods and services	It will not have an impact on reducing the quality of goods.	It will contribute to the production of better products.	It will not have an impact on reducing the quality of goods.	The development of various types of infrastructure (industrial, transport, financial, social) will contribute to the growth of the quality of goods and services.
Reduction of the range of goods and services	The location closer to the consumer will make it possible to more fully meet the needs of the assortment.	Promotes a more detailed study of consumer needs and the production of only the necessary and economically justified assortment. Reduction of the assortment is possible in some cases.	It will contribute to the preservation of the assortment of domestic producers in the near future and its expansion in the long term.	It will contribute to the preservation of the assortment of domestic producers in the near future and its expansion in the long term.

Commenting on table 1, we note, for example, that the location of production sites closer to the end consumer will reduce transport logistics costs, which in turn should help to keep prices down. The creation of strong inter-industrial and inter-regional ties will also stabilize prices. Lower prices and tariffs for essential goods, and also for strategically important groups of goods for the development of the area, should be set. All the possibilities mentioned in the table will contribute

[4] Compiled by the authors.

to the solution of the problem of transformation of transport and logistics schemes. It is also important to note that inter-production and inter-regional cooperation and specialization will contribute to the optimization of transport and logistics processes within the regions and the country as a whole, and the development of transport infrastructure will help to debug these processes and schemes in a milder form and in a shorter time.

For example, proceeding from the need to ensure food security in time and with the purpose of solving the task set by the President of Russia to increase the output and supply of qualitative and affordable foodstuffs, the Government of Russia is taking measures to create wholesale food markets in cities [5]. The placement of manufacturing facilities and wholesale capacities closer to the end consumer, combined with the measures of the state regulation of tariffs, will not lead to the deterioration of product quality, and the inter-regional cooperation, specialization and infrastructure development will promote the production of higher quality products.

In the case of product and service reductions, inter-productive and inter-regional cooperation and specialization will encourage a better understanding of consumer needs and ensure that only an adequate and economically viable range of products is produced. Closer proximity to the consumer will enable the range needs to be met more fully. State tariff regulation and infrastructure development will contribute to preserving the range of domestic producers in the short run and expanding it in the long run.

An important feature of the transformational processes taking place in the regional consumer markets is their reciprocal nature. Producers, who offer their products in the market, are oriented to their needs, including purchasing power, and final buyers (consumers) are fully aware of the possibilities of those producers that are represented in the market. In fact, these processes are a game-theoretic model of the conflict, in which the parties must come to an equilibrium situation [10, Neumann J., Morgenstern O.].

In addition, studies of price dynamics in January–March 2022, conducted using non-parametric methods, showed that there is a significant structural shift, which largely determines subsequent transformational changes [11, Koshunyaeva N.V., Tutygin A.G.]. Monitoring of public opinion on the state of Russian society showed that the consumer sentiment index decreased significantly in March-April 2022 (by 6 p.), which indicates a deterioration in the population's forecasts regarding the future of the economic situation in the country and their personal financial position. In the period from February to April 2022, the share of positive characteristics of social mood decreased in 8 of the 14 main socio-demographic categories of the population, while the most negative changes were noted among women (by 7 p.), as well as among people over 55 years old (by 10 p.) [12, Morev M.V., Paranicheva I.V., Urvanova T.V., pp. 261–262]. However, de-

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[5] Minpromtorg: Izmeneniya v zakonoproekt o regulirovanii rynkov vnesut do 1 iyulya [Ministry of Industry and Trade: Amendments to the bill on regulating markets will be introduced by July 1]. URL: https://rg.ru/2022/06/06/minpromtorg-izmeneniia-v-zakonoproekt-o-regulirovanii-rynkov-vnesut-do-1-iiulia.html (accessed 08 June 2022).

spite the deterioration of social mood, we should note that the history and practical experience of activities in crisis situations show the possibility of effective mobilization in the face of common danger, taking into account the socio-economic integration of representatives of authorities, business communities, public organizations and citizens.

Reaction to changes and influence mechanisms

As noted in the June review of the Bank of Russia [6], consumer activity was restrained in most regions in April–May of this year. The decline in sales was due to the rapid exhaustion of rush demand in the context of the ruble strengthening and the transition of the population to a savings regime, including because of increased uncertainty and a decrease in real incomes. In addition, there was a reduction in stocks and assortment of imported goods. Under such conditions, almost half of the enterprises faced interruptions or cancellation of supplies. Partially, industrial enterprises find a way out of this situation today by starting to implement various projects aimed at import substitution. For example, due to the reduction in the supply of spare parts and components for equipment, special equipment and transport, the need for the production of spare parts on their own has increased. The enterprises needed additional equipment for this, as well as the modernization of existing production facilities.

It should be noted that the authorities in the Arkhangelsk Oblast promptly responded to such business requests by expanding the range of investment products sold by regional support institutions. Thus, the program "Industrial facilities" of the regional industrial development fund, adopted in June 2022, aimed at financing projects related to the acquisition, construction, reconstruction of industrial facilities (buildings, structures, infrastructure, etc.), logically supplemented already existing programs for the acquisition and leasing of equipment, transport and special equipment [7]. For these purposes, about 280 million rubles were attracted additionally from the federal and regional budgets within the framework of the state program "Economic development and investment activity in the Arkhangelsk Oblast" only this year. However, when implementing these mechanisms, which have several sources of funding, certain problems of a systemic nature arise.

In the current situation, the rules of providing different types and measures of support to industry are initiated and regulated from the federal level by decrees and instructions of the Government of the Russian Federation and then detailed by departmental normative acts; the regions do not actually have an opportunity to work out their own path to support those types of industry which are the most important for their territories and population. As a typical example, it would be appropriate to mention the financial mechanisms laid down in the Decrees of the Government

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[6] Regional'naya ekonomika: kommentarii Glavnogo upravleniya Tsentral'nogo banka Rossiyskoy Federatsii. 2022 god № 12 (2 iyunya) [Regional economy: comments of the Main Department of the Central Bank of the Russian Federation. 2022 #12 (June 2)]. URL: http://www.cbr.ru/analytics/dkp/report_06 (accessed 08 June 2022).
[7] Regional Industry Development Fund of the Arkhangelsk Oblast. URL: https://cmf29.ru (accessed 08 June 2022).

of the Russian Federation No. 194 dated March 15, 2016 [8] and No. 686 dated April 18, 2022 [9], aimed at co-financing regional industrial development programs. Despite the fact that the key point in both documents is the development of regional industrial systems, the corresponding requirements for their implementation are adjusted to the usual "patterns" of the Ministry of Industry and Trade of Russia, within which the consideration of regional specifics is purely declarative.

A similar situation is developing around joint federal-regional programs to support industry. Thus, the enterprises of one of the key industries in the northern regions — the timber industry complex (TIC) — had high hopes on the program developed in 2021 by the Ministry of Industry and Trade of Russia and the Industrial Development Fund (IDF) in accordance with the instruction of the President of the Russian Federation V.V. Putin on the decriminalization and development of the forest complex, the program of state support for enterprises "Projects of the timber industry". The program was aimed at providing financial and credit support for the modernization of small and medium-sized enterprises involved in the harvesting and processing of wood. Despite the clear preferences for timber industry enterprises included in the program, in particular, a low annual interest rate (1%–3%), quite loyal requirements for applicants for soft loans, etc., the effect of them is to a large extent degree today is leveled by severe restrictions set by the developers of the rules. For example, many timber industry enterprises that sell their products for export, declare wholesale trade in timber and sawn timber as their main activity (codes 46.73.1 and 46.73.2 OKVED [10]). But one of the conditions for participation in the joint federal-regional program "LPK Projects" is the presence of the main activity related to section C "Manufacturing industry" ac-

[8] Postanovlenie Pravitel'stva RF «Ob utverzhdenii Pravil predostavleniya inykh mezhbyudzhetnykh transfertov iz federal'nogo byudzheta byudzhetam sub"ektov Rossiyskoy Federatsii v tselyakh sofinansirovaniya raskhodnykh obyazatel'stv sub"ektov Rossiyskoy Federatsii, voznikayushchikh pri realizatsii regional'nykh programm razvitiya promyshlennosti» ot 15.03.2016 № 194 (red. ot 21.12.2021) [Decree of the Government of the Russian Federation "On approval of the Rules for the provision of other interbudgetary transfers from the federal budget to the budgets of the constituent entities of the Russian Federation in order to co-finance the expenditure obligations of the constituent entities of the Russian Federation arising from the implementation of regional industrial development programs" dated March 15, 2016 No. 194 (as amended on December 21, 2021)] URL: http://www.consultant.ru/document/cons_doc_LAW_195368/ (accessed 08 June 2022).

[9] Postanovlenie Pravitel'stva RF «Ob utverzhdenii Pravil predostavleniya i raspredeleniya v 2022 godu inykh mezhbyudzhetnykh transfertov iz federal'nogo byudzheta byudzhetam sub"ektov Rossiyskoy Federatsii, istochnikom finansovogo obespecheniya kotorykh yavlyayutsya byudzhetnye assignovaniya rezervnogo fonda Pravi-tel'stva Rossiyskoy Federatsii, v tselyakh sofinansirovaniya raskhodnykh obyazatel'stv sub"ektov Rossiyskoy Federatsii, voznikayushchikh pri realizatsii dopolnitel'nykh meropriyatiy po finansovomu obespecheniyu deya-tel'nosti (dokapitalizatsii) regional'nykh fondov razvitiya promyshlennosti v ramkakh regional'nykh programm razvitiya promyshlennosti» ot 18.04.2022 № 686 [Decree of the Government of the Russian Federation "On approval of the Rules for the provision and distribution in 2022 of other interbudgetary transfers from the federal budget to the budgets of the constituent entities of the Russian Federation, the source of financial support for which is the budgetary allocations of the reserve fund of the Government of the Russian Federation, in order to co-finance the expenditure obligations of the constituent entities of the Russian Federation arising from implementation of additional measures to financially support the activities (recapitalization) of regional industrial development funds within the framework of regional industrial development programs" dated 18.04.2022 No. 686]. URL: http://www.consultant.ru/document/cons_doc_LAW_4 (accessed 08 June 2022).

[10] All-Russian classifier of types of economic activity (approved by Order of Rosstandart dated January 31, 2014 No. 14-st) (as amended on December 23, 2021). URL: http://www.consultant.ru/document/cons_doc_LAW_163320/ (accessed 08 June 2022).

cording to OKVED. If within the framework of regional programs implemented only at the expense of the constituent entities of the Russian Federation, this restriction can be removed, this already becomes impossible with the participation of federal co-financing within the framework of the Decree of the Government of the Russian Federation of March 15, 2016 No. 194.

Obviously, the introduction of the above described mechanism of "manual control" of the processes at the regional level is not the best practice. However, the indicators and signals from the regions to the federal government and decision-makers should be indicators from the macroeconomic set, reflecting the state and dynamics of the regional socio-economic system as a whole (GRP, investment, living standards, demographic characteristics, etc.). It seems quite natural, of course, to delegate the powers to resolve procedural issues related to the allocation of financial and investment resources to the regional government and development institutions. On the one hand, such an approach would significantly increase the responsibility of regional decision-making centers, but on the other hand, it would transfer the subject of control from the process to the final result, which would undoubtedly increase the efficiency of the use of allocated resources as a whole. It is hoped that the mechanism of a single regional subsidy will be the first step towards solving the above-mentioned problem.

Conclusion

The main task of the regional industrial policy de facto today is to support local commodity producers, which is reflected in the regulatory-legal and program-target documents of the constituent entities of the Russian Federation. However, the lack of long-term guidelines and strategic documents in this area in many regions, including those that are part of the AZRF, is often a serious obstacle to the development of system mechanisms and effective tools for the development of territories using their industrial potential.

Another problem typical for such socio-economically complex regions as the subjects of the Russian Arctic is the state and dynamics of the consumer market, which is often focused on imported products and therefore dependent on a number of external influences. At the same time, an insignificant share of the presence of local producers in the regional consumer market makes this problem a systemic one in the current harsh conditions. The formation of consumer orientation towards local products today necessitates the development of a whole range of solutions both in the field of industrial policy and in the regulatory practice carried out by the authorities.

In the current socio-economic situation, regional industrial policy in the Arctic regions of Russia today requires structural strategic decisions rather than point-by-point adjustments. They should be adopted in a single package with those conceptual guidelines that will be responses, primarily of the state, to transformational processes that change the face of the consumer market and the consumer behavior of the population of the respective territories.

The solution to the problem situation, outlined in this article, appears in the form of developing a procedure for systematic harmonization of the principles, goals and objectives of industrial policy, on the one hand, the concept and trends in the development of the consumer market, on the other hand, as part of a single set of strategic decisions on socio-economic development of the region. Given the current lack of both industrial policy and consumer market development concept in a number of northern regions, it would be logical to create a single document with the working title "The basis of regional industrial policy and consumer market development".

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