



RESEARCH OF POTENTIAL OF RESOURCES IN THE REGION OF EASTERN GEORGIA FOR THE FORMATION OF THE WINE INDUSTRY BASIS

Summary

In the range of regional economics, the aim for the formation of the clusters, according to the proposed approach, is the improvement of the region's integral competitiveness, which can be described as a socio-economic position of the system of specific region along with the other similar systems, such as goods and services, labor resources, innovative products and solutions, as well as factors of production.

The orientation of the regulatory impact of the state towards the certain indicators of the unified regional competitiveness allows the effective formation of regional management competitiveness in the direction of clustering of territorial space. Establishment of clusters at the regional level is carried out within a program-target approach with certain intermediate and final indicators that reflect the effectiveness of state policy.

At the same time, the creation of viticulture and winemaking cluster in the Kakheti region of eastern Georgia seems to be very promising at the basement of viticulture and winemaking companies in Telavi, Gurjaani and Kvareli districts. In the range of formation of the second model, which ensures the most effective impact of the regional development process.

Finally, the use of proposed mechanism of creation of the clusters may provide a substantial increase in the effectiveness of regional socio-economic systems and competitive development of residents of the clusters in the range of national and global geo-economic spheres.

Keywords - Clusters, region, winemaking, Kakheti region of eastern Georgia.

INTRODUCTION

Nowadays Georgia's economy faces a number of problems. In the wake of the worsened conjuncture of raw materials, which for a long time ensured high financial potential of Georgia's infrastructure and institutional development, there have been a number of hindering factors for socio-economic development of the country, including economic sanctions from a number of

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countries; Falling national currency rate, failure of intra-systemic economic ties; Falling of effectiveness of the use of an extensive economic model of development. On this background the necessity of ensuring sustainable and effective socio-economic development, both at the national and regional level, determines basically different demands towards the quality of territorial socio-economic systems.

In this regard, special requirements and strategies for economic regulation of territorial development are achieved, oriented towards the improvement of quality of the intergovernmental integration process at the regional level. Achievement of the increase in the competitiveness of the regional economy implies the use of a cluster model for formation of industrial-territorial localities that combines synergistic and multiplication effects that accelerate the development of the regional economy as well as the high-quality development of social sphere of the region.

Clustering of economic space is recognized by science and practice as the most effective form of integration of regional economic subjects. In this respect, specially demanding, current and valuable are scientific studies aimed at increasing the regional socio-economic system based on clusterization, stimulating the creation and further development of industrial clusters by the state, as well as the formation of territorial clusters models recognized in the world and national practice considering the conditions of the farming conditions in the particular region. The situation created has led to the selection



of research topic for the current article. A number of national and foreign scientific works were dedicated to questions of the formation and further development of clustered forms of industrial forces in the region. Wide-spread recognition has been obtained by the works dedicated to the problems of development of methodology of formation of clusters, such as M. Porter, V. Price, L. Yang, D. Jacobs, S. Rosenfeld, L. Deman, E. Baratashvili, M. Voinarenko, L. Voronov. Georgian scientists have contributed significantly to the study of clusters on the regional level: E. Baratashvili, A. Abralava, L. Talkanidze, B. Gechbaia, V. Datashvili and others.

Critical analysis of researches on the formation of clusters in the regional economy allowed us to emphasize vectors for further development of cluster formation systems, including within the agro industrial sphere of economy. At the same time, there are a number of aspects to be discussed that are related to the role of the state in the formation and further development of clusters in the regions, as well as the use of forms and methods for regulating the clustering process of regional socio-economic systems, in accordance with the level and characteristics of the impact of territorial economic environment.

For the methodological study of different aspects of the formation and further development of economic clusters, scientific consideration is necessary by taken into consideration interests of governing bodies and regional businesses, as well as the measures used by the authorities in the efficiency assessment process

in order to regulate cluster processes in the format of regional economy. Consequently, there is the demand for modeling of constructing processes of clusters, using state and private partnerships in the economic sphere of the region. These circumstances determine research problems, its goals and objectives.

It is necessary to develop a mechanism for formation of intersectoral clusters of agro-industrial type in the economic sphere of the region. The realization of this aim predetermines the necessity of formulating and solving the following tasks:

- 1) Conceptual analysis of functional capabilities in the format of regional socio-economic systems using forms and methods of formation of clusters;
- 2) Identification of qualitative characteristics of regional socio-economic systems and the level of development of inter-sectoral agro-industrial integration in them;
- 3) Identification of trends and prospects of integration of manufacturing processes in viticulture and wine-making cluster in Kakheti region of eastern Georgia;
- 4) Elaborating the regulatory instruments for the development of agro-industrial clusters of the production and economic complex of region;

5) Determines the relationship of level of development of agro-industrial clusterization process of the economy of the region with the quality of its competitiveness;

6) Development of classification of agro-industrial clusters based on the enterprise-integrator;

7) Formation of the optimal type clusters algorithm according to the criteria of the competitive advantages of the particular region;

8) Development of an organizational mechanism for the formation of agro-industrial clusters in the economy of the region.

The object of the research is the operating basis and tools of clustering formation in the sphere of viticulture and wine production in the region of Kakheti of eastern Georgia. The research task is the mechanism for the formation of agro-industrial clusters in the economics of the region.

The modern level of development of regional economy considers the increase of the efficiency of each element of the social-economic system involved in the process of production. The epoch of extensive economic growth, which was based on the unproductive industrial power of national enterprises, low valuable work force and favorable market conjuncture, changes into the era of harsh competitive struggle, under which competitiveness is guaranteed by innovation, labor productivity and efficiency. It dictates that we need to find and use in practice new tools, methods and forms of regulation of relationship of these elements from both corporate, industrial, service sectors, as well as from the governmental organs, that can provide competitive leadership and innovative growth in national and international geo-economic space.

The majority of authors proved by theory and empirically that the clusterization of the regional economy is a progressive form of reproduction process organization and is aimed at forming competitive advantages of the economy of region.

Thus, at regional level, governments need to concentrate on the economic methods of stimulating cluster development in both regional and above regional geo-economical spheres. Besides raising the economic growth rate, the clusterization of regional economy is an effective model of regulating of social and economic polarization in the existing space. Consequently, the development of the clusterization process should not be limited to the Georgian subjects.

CONCLUSION

Technical modernization and reconstruction of the enterprise should be the basis for increasing of the competitiveness of the wine production products of Kakheti



Region of East Georgia. Today, technically and morally scattered devices used by regional wine manufacturers, even in the condition of use of high-quality raw materials, significantly complicate high-quality production. In addition, the technical base existing in the sphere of the wine industry does not comply with the modern demands for effective wine production, so the companies have to buy expensive and imported equipment.

Since wine production mostly depends on the possibilities of its realization, the main tasks for the development of this field should be:

Modernization of production, which is the replacement of the enterprise's old technical equipment with new ones, which meet the requirements of world standards;

Promotion of regional wine products, which implies product remittance on both domestic and foreign markets, by participating of producers in various exhibitions and events.

Among the most important problems of development of industry the particular place is given to the presence of a large number of falsified products on the market. Besides low quality fraud, the market often meets high quality falsifications as well. Development of various means of wine falsification seriously complicates the identification of such falsifications. The laboratory was purchased by the administration to assess the validity of the wine.

Development of tourism in the region is very important in terms of selling of the products: Every year

the Kakheti resorts of East Georgia is visited by 2 million tourists, which significantly increases the demand for wine products during the summer months.

In the long-term perspective, modernization of regional manufacturers' technological equipment and its arrangement to its global standards should ensure for regional wine market all the terms of recognition in the world. This circumstance allows to demand improvement of Gurjaani wine quality as the main purpose for the stimulating policy of of the wine industry, which ensures the modernization of the product.

Thus, the concentration of wine producers in the Kakheti region of East Georgia, wine production steady growth, impose of interests of the investors in it, as well as the state policy of stimulating the development of the sphere determines the high competitiveness of the wine productivity in the Kakheti region of East Georgia, which is the main precondition for the formation of the basis for cluster of the sphere.

The main components of the main parts of potential clasteral sphere of the Viticulture and Winemaking Site in the Kakheti Region of Eastern Georgia are the regional agriculture sector, the transportation logistics of the region, its financial sectors, scientific-innovative and engineering infrastructure.

In this regard, it is recommended to analyze the current situation and development perspectives of viticulture and winemaking climate in the area of Kakheti region of Eastern Georgia.

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