TERRITORIAL ECONOMY AND LOCAL SELF-GOVERNMENT (METHODOLOGICAL APPROACHES TO TEACHING IN HIGHER EDUCATION PROGRAMS)

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Summary

The aim of the article is to develop an effective teaching methodology for the subject "Territorial Economics and Local Self-Government" in higher education programs. It is intended for students of undergraduate programs in economics and management and is aimed at combining theoretical foundations, international experience with real examples from Armenia, and developing students' analytical and applied skills.

Territorial economics and local self-government are scientific and practical fields that study the patterns of territorial development and the peculiarities of community management. In the case of the Republic of Armenia, the inequalities in territorial development, the socio-economic problems of mountainous and foothill regions, border communities, and the financial limitations of the local government system are issues that require not only scientific but also practical solutions.

Keywords: *territorial economics, local self-government, territorial inequalities, GIS analysis, classical models, Anglo-Saxon model, continental model, German model.*

Introduction

The problems of territorial economics and local self-government are widely discussed in the international scientific field. The works of P. Krugman and A. Rodriguez-Poze emphasize the problem of economic centralization and the political consequences of neglected territories, and the experience of the OECD and EU cohesion policy indicates the importance of territorial equalization. In the case of Armenia, the Territorial Development Strategy 2022–2030 document, the RA Statistical Committee's data on the capital-region disparity, as well as research on the process of community enlargement are relevant, which, on the one hand, create opportunities for the effective use of resources, and on the other hand, create new challenges for governance and participation. In parallel with all this, there are many articles and dissertations in the RA research (M. Otaryan, G. Badadyan and others). They are aimed at local self-government and territorial development. These observations show that global trends and local realities in Armenia are interconnected and require innovative approaches in teaching and policy development. The research is based on classical and contemporary theories of territorial development, including the theory of central places (Christaller, 1933), models of economic concentration (Krugman, 1991), as well as socio-territorial equalization approaches (Rodríguez-Pose, 2020; OECD, 2020). This framework allows us to consider the teaching of the subject "Territorial Economics and Local Self-Government" as a methodological tool in the context of higher education in Armenia.

The scientific novelty of the work lies in the presentation of a combined learning model, which:

- combines classical theories, local case analysis and modern tools (GIS, scenario exercises, field research),

- ensures a systematic connection between theory and practice,

- offers an interactive learning methodology to solve strategic problems of regional development in Armenia.

The novelty of this approach lies not in the simple combination of methods, but in the way they are applied, where classical spatial models (Kristaller, Lösch, Thünen) are integrated with GIS analysis, scenario exercises, and community case studies, aimed at the specifics of the Armenian higher education environment.

Pedagogical and methodological justification and learning outcomes: The inclusion of the subject "Territorial Economics and Local Self-Government" in higher education programs is justified by several levels.

Knowledge level: Students get acquainted with the theoretical foundations of territorial economics. They study classical models (von Thunen, Kristaller, Lösch), as well as modern approaches that allow understanding the cause-and-effect relationships of territorial disparities.

Skills level: During the course, students acquire practical skills:

- analysis of community budgets and development of recommendations,

- compilation of maps using GIS systems and data analysis,

- application of statistical methods for the evaluation of territorial policies, scenario exercises for observing council meetings, modeling of local political processes, etc.

Value system level: Students develop an awareness that territorial policy is related to social justice, economic equality and national security. By overcoming territorial disparities, it is possible to strengthen the socio-economic stability of the country.

Learning outcomes: After completing the course, the student should be able to describe the main concepts of territorial economics and local self-government, analyze the nature and causes of territorial disparities, assess the structure and activities of the local government system, apply cartographic and statistical methods, develop feasible community development programs and make comparisons with international models. Anglo-Saxon model - local government bodies enjoy high financial and institutional independence. Continental model - the local government system operates with strict state control mechanisms. German model - a combined option, where the state and the local government system cooperate on balanced principles. The Armenian model is close to the continental one: communities have limited operational autonomy and are mainly dependent on the central budget.

Theoretical foundations and classical models: Territorial economics as a discipline was formed at the intersection of economics and geography. Its main task is to explain why economic activity and population are unevenly distributed over the territory.

Von Thunen's model: Von Thunen showed that the structure of land use is determined by transportation costs. In the zones close to the capital, intensive agriculture is more profitable: vegetable growing, dairy farming. Grain and fruit growing regions are located in the middle distances. Further away, livestock breeding, where transportation costs have a relatively low impact.

Central Location Theory (Kristaller). Kristaller's theory explains the hierarchy of settlements: large cities (Yerevan, Gyumri) act as regional centers that serve a wide market. Medium and small cities (Ijevan, Spitak, Yeghegnadzor) provide more local demand. Using the theory, students can analyze the structure of settlements in Armenia.

Lösch's polycentric model: Lösch developed Kristaller's approach by proposing a polycentric territorial structure. Good examples are - Masis as a logistics center, Artashat as a food processing center, Vedi as a winemaking center and tourism center.

In addition to presenting these models, one can move on to informing students about the large-scale macroeconomic project "Crossroads" proposed by the RA government, which will have regional significance.

Urban structure models: Urban economic models explain the center-periphery relationship. Business, government, and banks are concentrated in the center; industrial zones and residential districts are located in the suburbs. These models are used during the training through cartographic exercises, showing students how territorial patterns manifest themselves in the conditions of Armenia.

Local self-government (LSG): Local self-government is one of the main instruments for implementing territorial policy. It ensures the participation of local communities in economic and social development processes. In Armenia, the LSG system is single-tier. Community residents elect a council of elders, which defines local policy, and a mayor, who implements these decisions.

The legislative basis is defined by the Constitution of the Republic of Armenia and the Law "On Local Self-Government". The main sources of financing of the LSG system are local taxes and fees, state grants and subsidies, income from community property.

The effectiveness of the LSG system in Armenia is limited by a number of factors: scarcity of financial resources, lack of professional staff, dependence on the central government.

Methodological significance of the study. Teaching this topic in higher education institutions should be accompanied not only by theoretical materials, but also by the analysis of legal documents (laws, strategies), the study of community budgets, and seminar discussions, where students analyze the strengths and weaknesses of the local government system.

Course structure and features of the pedagogical approach. The teaching of territorial economics and local self-government in higher education programs should have a clear structure and a multi-methodological approach, ensuring a clear combination of theory and practice, active involvement of students not only in the classroom, but also in the real environment, emphasis on team projects, teaching students to cooperate and jointly develop proposals, and integration of modern technologies (GIS, statistical programs) into the learning process. This methodology contributes to the development of critical thinking among students and prepares them for future professional activities.

Methodological significance: Practical laboratories and fieldwork form skills in students that cannot be provided by theoretical courses alone. They allow you to turn knowledge into practical abilities. The idea can be effectively implemented by analyzing practical cases using the example of Armenia. An important component of teaching territorial economics and local self-government is the analysis of real examples from Armenia. They not only contribute to increasing students' interest, but also show how theoretical models are applied in practice. The examples are diverse: Gyumri - development of an IT center. Gyumri, being the second city of Armenia, has long faced the problems of population emigration and industrial decline. However, in the last decade, IT and educational centers have been established in the city, which have contributed to the creation of new jobs. The development of the IT sector has stimulated the involvement and professional growth of young people. The city is developing

a creative industry infrastructure. This example can be linked in teaching to the Lösch polycentric model, when Gyumri acts as a new growth pole. The next example can be related to Tavush - the border development strategy. Tavush region is one of the most developing, but at the same time the most vulnerable areas of Armenia. The creation of IT education and programming centers in Ijevan contributes to increasing employment. Tavush winemaking and agriculture are becoming important factors in connecting with foreign markets. This example can be used in the context of the theory of central places to show how small border towns become regional centers. Ararat region - polycentric approach. This example can be used in teaching as a living manifestation of the Lösch model. Syunik - mining and energy potential. Syunik is one of the strategic centers of economic development of Armenia. Mining and copper-molybdenum industry form the basis of the economy of the region. The potential of renewable energy (hydropower, solar energy) also makes the region an important center of energy security. The students also analyze the example of Syunik in the context of national security.

The discussion of these cases teaches students to apply theoretical models in specific situations, to understand the practical consequences of territorial policy, and to develop proposals for the development of different regions of Armenia.

Feasibility assessment

The proposed methodology is based on the resources available in Armenian universities, including regional universities. The implementation of the course does not require exceptional logistical conditions: the tools used - GIS analysis, fieldwork and interviews - can be implemented in an accessible format.

Field research and interviews with local government representatives can be organized within the framework of educational practice, in cooperation with local self-government bodies.

In addition, the methodology provides for phased implementation: simplified exercises and data analysis are used at the initial stage, and more complex projects are used in subsequent stages. This approach allows balancing the quality of education and the resource capabilities of universities.

Thus, the course is feasible in the Armenian higher education environment, with the conditions of gradual implementation, the use of affordable technological solutions and local cooperation mechanisms.

The territorial policy toolkit. An important component of the study of territorial economics and local self-government is the study of the toolkit. It includes the set of mechanisms by which the state and local self-government bodies can influence territorial disparities and contribute to balanced development. Among them are legal instruments, strategies and programs - for example, the RA Territorial Development Strategy 2022–2030, which provides for the socio-economic equalization of regions. Legislation - the Law "On Local Self-Government", the Urban Planning and Tax Code, etc. Normative acts - the approval of community development programs by councils of elders. Financial instruments - grants and subsidies - to supplement community budgets, tax privileges - to encourage investments in border or socially disadvantaged communities, loan programs - for the development of community infrastructure. The list goes on.

Structural tools, transport infrastructures – construction of new roads, development of public transport, IT centers and industrial parks – creation of new economic opportunities in the regions, Educational and healthcare facilities – ensuring equal access. Institutional tools

play a special role: inter-community cooperation, public-private partnership – joint investments of communities and businesses, civic participation – through public hearings and local initiatives. For satisfactory solutions to the problems at hand, the applications of analytical tools are also highly important: data monitoring – periodic collection and analysis of statistical data, implementation of GIS systems with mapping and analysis of territorial disparities, scenario analysis – modeling of possible development scenarios and their comparisons, methodological applications of teaching.

The training of this toolkit in higher education institutions should be organized not only through theoretical, but also through practical exercises. Students can be offered to develop their own "toolkit" for the development of a community and present it as a project.

The assessment system for the course in territorial economics and local self-government should reflect the level of mastery of both theoretical knowledge and practical skills. The assessment is carried out in a multi-component manner in order to ensure the assessment of the student's comprehensive progress.

Data sources and analysis. One of the important skills in the training of territorial economics and local self-government is the collection and analysis of data. Students should be able to obtain the necessary information from various sources and use it for comparative studies. Statistical Committee of the Republic of Armenia (SC) – provides official data on population, employment, income, industrial and agricultural production.

Community budgets – allow to assess the financial stability of local self-government bodies, the distribution of revenues and expenses.

Urban planning documents and development programs – are important for the analysis of territorial development priorities of communities.

Transport maps and infrastructure data – allow to assess territorial accessibility.

Sample data from the regions of Armenia;

The average monthly nominal salary in the Shirak region of the Republic of Armenia is 141,959 AMD, and in the Syunik region - 319,753.

The volume of industrial production in the Tavush region of the Republic of Armenia is 38,581.2 million AMD, and in the Ararat region - 281,735.6 million AMD.

Ararat region – the majority of industrial production is provided by the processing industry.

Syunik – the majority of budget revenues are provided by the mining industry.

Analyzing this data teaches students to assess territorial disparities and see the peculiarities of the economic structure.

Analytical methods: comparative analysis – identifying differences between regions.

Examples of tasks

Community budget analysis

Students are asked to select a community budget, analyze its income and expenditure structure. It is important to understand how sustainable the budget is, whether it meets the socio-economic needs of the community.

GIS map development

Students must create a map based on the data that will show population density, income level, or spatial distribution of infrastructure. The map is presented as part of the course and analyzed during a group discussion.

Interview with a local government representative

Each student or group of students meets with a community leader or council member and conducts an interview on local governance issues. Later, students prepare a report summarizing their observations.

Team project using the "Growth Pole" model

Students are divided into groups and each group develops a development plan using the "Growth Pole" model. The project should include data collection and analysis, setting territorial development goals, developing proposals for local government.

The methodological significance of the tasks is that they contribute to the development of critical thinking among students, the practical application of theoretical knowledge, and the formation of teamwork and cooperation skills.

Other topics for practical implementation include:

- Using statistical data to analyze community problems
- Analyzing the community budget: the structure of expenses and revenues
- Developing a community economic development strategy
- Assessing the impact of immigration/emigration of the community population on the local economy.

Effective practical implementation methods include debates that develop critical thinking around community problems, group work that discusses various solutions and proposals for community development, a practical project to develop a community economic development program, simulations and role-playing games where students act as community leaders, councilors, or citizens in the decision-making process, and modeling the drafting or discussion of a community budget.

The following components are recommended as criteria for evaluating practical assignments:

- Accuracy and analysis of data /for example, 1/5 of the total score/
- Justification of problems and solutions /1/5 of the total score/
- Feasibility of actions /1/10/
- Logicality of financial calculations /1/10/
- Design of written work, quality /1/10/
- Quality of presentation, report /1/10/
- Use of slides, its quality /1/10/
- Skill in answering questions /1/10/, etc.

For the purpose of teaching effectiveness, it is also recommended to invite local government experts or community leaders with real experience to the lecture.

Glossary of key concepts

An important component of the course in territorial economics and local self-government is the mastery of key concepts. These form the scientific vocabulary of students and ensure a systematic perception of knowledge. The terminological dictionary was compiled based on classical and modern theories of territorial economics and local self-government, including the definitions of Kristaller, Lösch, Von Thunen, Friedman and OECD, as well as the terms used in the legal framework of the RA local self-government system. The main terms are:

Spatial distribution – patterns of distribution of economic activity, population or resources in the territory.

Regional disparities – differences in the levels of socio-economic development in different territories.

Economies of scale – reduction of costs and increase in efficiency as a result of increasing the volume of production.

Spatial planning – development of territorial development strategies, maps and programs at the state or local government level.

Territorial integration – development of cooperation and interconnection between different communities and regions.

Central place theory – explanation of the hierarchical structure of settlements according to the volume of services provided.

Growth pole – a regional center that becomes a driving force for economic development.

Local government – a management institution operating at the community level.

Methodological significance

The glossary of terms helps students:

- correctly use professional terminology,
- clarify theoretical models,
- create a common language within the framework of the course.

During the course of study, the dictionary can be supplemented by students according to the topics discussed.

International experience: In the process of teaching regional economics and local self-government, it is important to present international experience. It allows students to compare the situation in Armenia with the approaches of other countries and understand global trends.

European Union (EU): In the EU, regional policy is considered one of the main functions of the union.

Special cohesion funds are organized, through which less developed regions are supported.

In the EU countries, great importance is given to regional and urban economics in the form of separate master's programs.

Students learn both to analyze disparities and to apply financial instruments to mitigate them.

USA: In America, regional economics training includes:

- "Regional Economics" and "Urban Economics" subjects.
- Analysis of metropolitan areas and migration flows,
- Study of local government finances.

The US experience shows how to stimulate cooperation between large cities and small communities, ensuring overall economic growth.

Russia: Regional economics in Russia is closely linked to the federal structure of the country.

The teaching emphasizes comparative analysis of regions,

The peculiarities of the development of both industrial and agricultural regions are taught,

Analysis of the effectiveness of the local government system is presented as an important skill.

The importance of teaching international experience

The presentation of this experience allows students:

- to compare the Armenian model with the experience of other countries,
- to understand the strengths and weaknesses of our local government system,
- to apply innovative approaches in community development programs.

Conclusion

The teaching of territorial economics and local self-government in higher education programs is of vital importance for Armenia. It not only ensures the development of students' professional knowledge and skills, but also shapes their worldview related to social justice, balanced development and national security. Through this course, future economists and managers learn to understand the nature of territorial disparities and their causes, to apply theoretical models to analyze specific situations, to assess the effectiveness of the local government system and suggest ways to improve it, to develop community development programs based on data and facts.

The teaching methodology, which combines lectures, seminars, laboratory exercises, field trips and team projects, ensures the unity of knowledge and skills. This allows preparing specialists who are ready to work not only in the academic, but also in the practical field.

In the conditions of Armenia, the teaching of this topic also has strategic importance. It contributes to the economic equalization of regions, the stabilization of border communities, and the formation of new paths for national development. The proposed model is applicable especially in undergraduate programs in economics and public administration, in order to develop students' practical skills.

ՏԱՐԱԾՔԱՅԻՆ ՏՆՏԵՍԱԳԻՏՈՒԹՅՈՒՆ ԵՎ ՏԵՂԱԿԱՆ ԻՆՔՆԱԿԱՌԱՎԱՐՈՒՄ. (ՈՒՍՈՒՑՄԱՆ ՄԵԹՈԴԱԿԱՆ ՄՈՏԵՑՈՒՄՆԵՐ ԲՈՒՀԱԿԱՆ ԿՐԹԱԿԱՆ ԾՐԱԳՐԵՐՈՒՄ)

Օթարյան Մհեր

տնտեսագիտության թեկնածու,
ԵՊՀ Իջևանի մասնաճյուղի տնօրեն,
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Ամփոփում

Հոդվածի նպատակը բարձրագույն կրթական ծրագրերում «Տարածքային տնտեսագի-տություն և տեղական ինքնակառավարում» առարկայի արդյունավետ ուսուցման մեթոդա-բանության մշակումն է: Այն ուղղված է տնտեսագիտական հիմքերի, միջազգային փորձի և Հայաստանի իրական օրինակների համադրմանը՝ ուսանողների վերլուծական ու կիրառա-կան հմտությունների զարգացման համար:

Տարածքային տնտեսագիտությունն ու տեղական ինքնակառավարումը գիտագործնա-կան այն ոլորտներն են, որոնք ուսումնասիրում են տարածքային զարգացման օրինաչա-փությունների ու համայնքների կառավարման առանձնահատկությունները: Հայաստանի Հանրապետության պարագայում տարածքային անհավասարությունները, լեռնային ու նախալեռնային շրջանների, սահմանամերձ համայնքների սոցիալ-տնտեսական խնդիր-ներն ու ՏԻ համակարգի ֆինանսական սահմանափակումները այն հարցերն են, որոնք ոչ միայն գիտական, այլև գործնական լուծումների կարիք ունեն:

Բանալի բառեր՝ *տարածքային տնտեսագիտություն, տեղական ինքնակառավարում, տարածքային անհամաչափություններ, GIS վերլուծություն, դասական մոդելներ, անգլո-սաքսոնական մոդել, մայրցամաքային մոդել, գերմանական մոդել:*

ТЕРРИТОРИАЛЬНАЯ ЭКОНОМИКА И МЕСТНОЕ САМОУПРАВЛЕНИЕ (МЕТОДОЛОГИЧЕСКИЕ ПОДХОДЫ К ПРЕПОДАВАНИЮ В ВЫСШИХ УЧЕБНЫХ ЗАВЕДЕНИЯХ)

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Аннотация

Целью статьи является разработка эффективной методики преподавания предмета «Территориальная экономика и местное самоуправление» в программах высшего образования. Она направлена на объединение теоретических основ, международного опыта и реального опыта Армении для развития аналитических и прикладных навыков студентов.

Территориальная экономика и местное самоуправление – это научно-практические направления, изучающие закономерности территориального развития и особенности управления сообществами. В случае Республики Армения территориальное неравенство, социально-экономические проблемы горных и предгорных регионов, приграничных сообществ, а также финансовые ограничения системы местного самоуправления – это проблемы, требующие не только научных, но и практических решений.

Ключевые слова: *территориальная экономика, местное самоуправление, территориальные различия, ГИС-анализ, классические модели, англосаксонская модель, континентальная модель, германская модель.*

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