

## **Ranking of Russian regions based on theatrical potential**

Society's cultural activities in modern economic science are gaining increasing attention from researchers. Particular interest in studying the production processes of the cultural sector owes its origin to the approach to interpreting the sources of economic growth that has been developing since the first half of the 20th century. The consistent search for appropriate factors influencing the development of the state's economy (Cobb, Douglas, 1928; Harrod, 1939; Domar, 1946; Solow, 1956, 1957) has led to the inclusion of a scientific and technological progress factor in a number of endogenous variables in addition to capital and labour (Romer, 1986; Lucas, 1988).

Since the middle of the 20th century, a large number of studies have been devoted to the study of industries that create a common space for the formation and evolution of human capital in post-industrial societies (Becker, 1964; Toffler, 1980). The authors note the unique content of the fundamental elements of society - the growing prestige of education, the change in the ratio of classic work professions to a new layer of highly qualified specialists and managers, and the emerging class of workers engaged in intellectual activity on the labour market. A little later, the Mankiw Romer Vale model (Mankiw et al., 1990) suggests that the properties of physical and human capital may be similar.

However, a notable shift towards exploring the production of cultural goods as a factor of economic growth has been the hypothesis that total factor productivity depends on intangible assets in works reflecting the concept of the 'new economy' (Hulten, 1979; Corrado, Hulten, Sichel, 2005; Adarov, Stehrer, 2019).

In Russian science, the spheres of economic activity that form the basis for the accumulation of society's intangible assets were combined into a separate sector, which was called the "humanitarian" sector (Greenberg,

Rubinstein, 2004; Rubinstein 2007; Muzychuk, 2017, Slavinskaya, 2020). The basic elements of this sector include the culture, science and education sector.

At the same time, the current situation in the country's modern economy requires active measures to form a strategy to support and develop demand from interested audiences and attract new consumers of cultural goods. These assumptions are fully applicable to the theatre environment, which is an integral part of the cultural sector. As part of this phase of research, which includes the study of the entire cultural industry, it is seen as interesting and relevant to develop a structure for the theatre's potential.

It should be noted that the economic situation of theatres is not uniform and varies depending on the region in question. The regularities confirmed for large Russian regions may not reflect the real situation in small towns. Therefore, the study of theatrical potential in different groups of regions is an important area of cultural research.

This report is devoted to studying theatrical potential and the factors that form it, as one part of a multi-factor model of economic growth.

The study uses a unique array of data based on indicators collected by the Federal State Statistics Service, the Federal Treasury and the GIVC of the Ministry of Culture as the information base. The array also includes the results of the "I All-Russian Sociological Survey of Theatre Spectators". The basis of the empirical part of the work is the application of a combination of the main component method and Multiway Data Analysis (MWDA) for the study of economic objects (Burakov, Rubinstein 2020) as well as regression analysis.

The main results of the current phase of the research presented in the report are a system of indicators characterising the total theatre potential, which is considered as a combination of 3 private potentials:

- the potential of the economic operating environment for theatre organisations,

- spectator potential,

- creative potential,

as well as the proposed ranking methodology. The report presents the results of the regional ranking, both in terms of total creative potential and in terms of the three private capacities that comprise it.