

# INTERNATIONAL AND RUSSIAN EXPERIENCE IN APPLYING EVIDENTIAL POLICY INSTRUMENTS IN THE SPHERE OF PUBLIC ADMINISTRATION: ISSUES OF CONTINUITY IN SECTORAL BALANCE

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## Abstract

*The article provides an analytical review of modern international practices in the development and practical implementation of an evidence-based approach in public administration. A brief description of the evidence-based approach, prerequisites, as well as the first (pioneer) practices of applying its elements to achieve sustainable development goals and leveling barriers in socially significant areas is given. The cases formed to date on the implementation of evidence-based public policy in a number of developed countries are considered. It is suggested that, given the accumulated international experience, there is a possibility of using evidence-based public policy tools for the purposes of sectoral balancing. Confirmation of this hypothesis is carried out through the prism of the industry. The Russian Federation is cited as a recipient country, as one of the largest world powers, the industrial sector of which, like in many other countries of the world, is in conditions of uncertainty and episodic imbalance. It is indicated that in view of the constantly changing conditions for the functioning of industrial enterprises, it is important to constantly evaluate the effectiveness and, as a result, adjust the measures of state support for industrial enterprises in order to maintain the "health" of the entire sector. It is postulated that for a long period of time in many countries of the world, in particular in Russia, there was a "rational-intuitive" approach to public administration, which is inappropriate in the new reality. The possibility of replacing this approach with an evidence-based approach is considered, examples of successful practices in the application of evidence-based policy tools in the field of public administration are presented, in particular, in the context of evaluation (audit) measures of the results obtained; special attention is paid to the approach adopted in the UK. The alternatives of their use for further improvement of state support for industrial enterprises that are forced to conduct their activities in conditions of uncertainty are specified.*

**Keywords:** evidence-based public policy, hierarchy of evidence, performance audit, public administration, government support, industry sector, evidence-based industrial policy.

## 1. INTRODUCTION

Over the past two decades, in many developed and developing countries, a qualitatively innovative approach to improving the public administration system, which is based on the design and implementation of a special model, the so-called "evidence-based public policy" or "evidence-based public policy", has become increasingly widespread<sup>1</sup>. Its main idea is to substantiate the options for legal regulation proposed by key stakeholders (external and internal participants in the ecosystem of public, in particular, industry management), individual measures and activities of socio-economic policy using the results of scientific research, evidence-based facts and a wide evidence base<sup>2</sup>.

<sup>1</sup> Satushieva L, Isakov A, Maremkulova R, Tekueva M, Zalikhanova L. Some Peculiarities of Administrative Penalties System and The Order of Their Imposition in Russia. J Organ Behav Res. 2021;6(2):100-8.

<sup>2</sup> Voloshinskaya AA, Komarov VM (2015) Evidence-Based Public Policy: Problems and Perspectives. Bulletin of the Institute of Economics of the Russian Academy of Sciences. no. 4.pp. 90-102.



As quite rightly, in our opinion, note G. De Marchi and joint authors, the application of the evidence-based approach is focused, first of all, on improving the quality of public administration in general, as well as overcoming the subjectivity and ideological bias of the developers of public policy measures and instruments<sup>3</sup>. Given the current global macroeconomic trends, in particular, in the context of individual sectors of the world economy, the solution of this problem by the governments of the countries concerned should be a priority<sup>4</sup>. This thesis is of particular relevance in relation to those sectors of the world and national economy, sustainable development and state support of which is one of the main governmental and (or) supra-governmental goals. It is assumed that the international experience accumulated to date in applying the evidence-based approach in public administration can be reoriented and useful to use to balance sectoral regulation and strengthen the socio-economic position of each individual state developing in a new reality.

## 2. GENERAL OBJECTIVE

The aim of the study is an analytical review of modern international practices in the development and practical implementation of an evidence-based approach in public administration. Based on the results of this review, an attempt is made to justify the possibility of using evidence-based public policy tools for the purposes of sectoral balancing. The oriental object of research will be the industry sector, the oriental subject - the Russian Federation, as one of the largest world powers, the efficiency and effectiveness of the functioning of this industry in which the quality of life of the population, the development of small, medium and large businesses, both in this and in other sectors of the national economy, and the state as a whole. The results obtained can be used for further scientific substantiation of the concept of evidence-based industrial policy by the international academic community, as well as for stimulating and developing national practices for applying its instrumental framework.

## 3. METHODOLOGY

To achieve this goal and objectives, the following research methods were used: general scientific (dialectical, analysis and synthesis of available literature data, comparisons and analogies, annotation, note-taking and abstracting of information obtained from modern scientific sources), special (systemic, comparative analysis, etc.). The main sources of information were fundamental works, publications of Russian and foreign scientists and analysts devoted to various aspects of the application of evidence-based policy elements in the field of public administration, including for the purposes of sectoral balancing; portals and other Internet resources of developers of solutions in the field of evidence-based approach for public purposes, news and notes published in the media.

## 4. RESULTS

The lack of knowledge for making managerial decisions in the field of public administration, as well as the ever-growing demand from society for greater openness of the state, determined the development of an evidence-based approach in international practice and, as a result, evidence-based public policy or public policy based on evidence. In the most general sense, it allows answering such important questions as: “what impact does government policy have on achieving socio-economic effects”, “is there a causal relationship between government interventions and outcomes”, “what government measures are working and effective and which are not”, “how the policy is implemented and how it reflects the expectations of citizens”, “how the goals and the process of achieving them are understood by all participants in the process of implementing public policy”, and so on<sup>5</sup>. The OECD defines evidence-based policy as making management decisions on a scientific basis, which involves the use of data obtained by evidence-based methods at

<sup>3</sup>Marchi G. De, Lucertini G., Tsoukias A. (2016) From Evidence-Based Policy Making to Policy Analytics. *Ann Oper Res.* Vol. 236.pp. 15-38

<sup>4</sup> Ismailov SG, Lazareva NV, Rodionova VI, Shvachkina LA, Pyanov AI. Socio-Demographic and Economic Factors of the Pharmaceutical Market Development in Russia. *Pharmacophore.* 2022;13(5):51-7.

<sup>5</sup> Shahmars A. K, & Valiev S. (2022). Criminal Liability of Bribery Crime in Criminal Laws of Iran, Russia, And the Republic of Azerbaijan. *J Organ Behav Res.* 2022;7(1):86-95.

different stages: from understanding the essence and source of the problem to assessing the effectiveness of the measures taken. In its 2020 Evidence-Based Policy Report, the OECD, after analyzing the experience of the United States, Great Britain, Australia and South Africa, concluded that public authorities, even with access to a large amount of research and data, practically do not use them to make managerial decisions. According to the fair remark of the authors of the report, in order to implement an evidence-based approach in the mechanisms of public administration, it is necessary not only to have evidence-based data, but also to demand for it<sup>6</sup>.

The principle of relying on knowledge for making managerial decisions appeared in public administration thanks to medicine; it was evidence-based medicine that established the priority of evidence over status and authority, as well as the principle of transparency - any evidence can be reproduced and verified. In recent decades, a significant number of clinical studies in this area have appeared, a stable hierarchy of evidence has been formed, and the systematization of the medical results of clinical trials has led to the creation of clinical guidelines based on evidence-based medicine and the establishment in the early 1990s. 20th century in the UK, the Cochrane Collaboration, which administers the largest database of reviews of the effectiveness of various medical interventions from most countries of the world<sup>7</sup>.

The public sector is currently using a lot of information, communication and digital technologies, applications, services, there is access to cloud computing power that reduces the cost and increases the quality of computing - all this has led to an increase in the amount of big data, respectively. In this regard, the world community is increasingly promoting the idea of using such data to create public value and the concept of data-driven governance in the public sector<sup>8</sup>. These trends, along with unsatisfactory (insufficiently satisfactory) results in achieving sustainable development goals, including the fight against poverty, the low level of education of citizens, high levels of crime, mortality from preventable diseases, and so on, stimulated in a number of countries the transition from decisions based on ideology or political subjectivism, to evidence-based public politics.

Initially, its elements were introduced to level these socially significant problems. Thus, the first two initiatives were implemented in China; The government's decision to relocate citizens to more prosperous areas of the state was based on the results of studies of both developed (USA, Great Britain, New Zealand) and developing countries (India, Thailand, Brazil). One of the significant effects of China's program was the growth in income of overcrowded households: by 8.56% in the control group<sup>9</sup>. In turn, the development of an e-commerce system among farmers and the creation of an e-commerce ecosystem in rural areas contributed to the reduction of poverty in some areas by more than 20%<sup>10</sup>. Vietnam is also considered a pioneer in this area; The National Rural Electrification Project was in line with many practices in developing countries: lighting made it possible to extend school hours and work hours, promoting better education and productivity, the use of radio and television increased access to information, electric pumps increased crop yields, and so on. Overall, electrification in Vietnam has had a significant impact on the well-being of rural residents, with an estimated average income growth of 24.7% per annum, which together was more than four times the cost of the project itself<sup>11</sup>.

The subsequent scaling up of programs and projects based on an evidence-based approach was also mainly focused on the social sphere. For example, the American Nurse-Family Partnership program, which has been operating since the 1970s, is a relevant example of careful design, testing, integration, replication and continuous improvement based on the principles of evidence-based performance XX century; health workers

<sup>6</sup>OECD Public Governance Reviews (2020): Building Capacity for Evidence-Informed Policy-Making. OECD. 80p.

<sup>7</sup> Szajewska H. (2018) Evidence-Based Medicine and Clinical Research: Both Are Needed, Neither Is Perfect. *Ann Nutr Metab.* Vol. 72. Suppl 3. pp. 13-23; Chloros GD, Prodromidis AD, Giannoudis PV (2022) Has anything changed in Evidence-Based Medicine? *injury.* April Vol. 20.pp. S0020-1383(22)00289-3; Subbiah V. (2023) The next generation of evidence-based medicine. *NatMed.* Vol. 29,pp. 49-58.

<sup>8</sup>OECD Digital Government Studies (2019): The Path to Becoming a Data-Driven Public Sector. OECD. 174 p.

<sup>9</sup>Zhang L., Xie L., Zheng X. (2020) Moving to Opportunity: The Effects of the Targeted Poverty Alleviation Relocation Program in China. No 304314. 2020 Annual Meeting, July 26-28, Kansas City, Missouri.

<sup>10</sup>Peng C., Ma B., Zhang C. (2021). Poverty alleviation through e-commerce: Village involvement and demonstration policies in rural China. *Journal of Integrative Agriculture.* Vol. 20,pp. 998-1011.

<sup>11</sup>Khandker SR, Barnes DF, Samad H. (2013) Welfare impacts of rural electrification: A panel data analysis from Vietnam. *Economic Development and Cultural Change.* Vol. 3(61). pp. 659-692

visit low-income mothers from the moment of the first pregnancy, providing them with all possible assistance and support in organizing prenatal and postnatal care, subsequent job search and education. Interestingly, the program was originally designed as a long-term randomized control trial, and based on systematic data collection, has allowed for four decades to obtain valid evidence confirming the effectiveness of the program: a 40% reduction in child abuse and neglect; 67% reduction in cases of behavioral and intellectual problems in children aged 6 years; 61% reduction in mothers' convictions; and so on<sup>12</sup>.

The application of the evidence-based approach has received special development in the implementation of policies in the field of poverty reduction. In 2019, MIT's Abhijit Banerjee and Esther Duflo and Harvard's Michael Kremer were awarded the Nobel Prize for integrating experimental methods in the realm of generating credible results about the best ways to fight global poverty. Such success speaks to the growing role of the evidence-based approach in the field of international social policy. Moreover, in the early 2000s A. Banerjee and E. Duflo became the initiators of the Poverty Alleviation Laboratory. Abdul-Latifa Jameel at MIT, who to this day administers an evidence base of more than 400 assessments of various interventions aimed at reducing poverty. The emphasis in this case should be made on the fact that an experimental approach in solving a particular global problem is valuable in itself. Evidence, for example, can be provided by the example of Mexico, where state decisions subject to political opportunism as a result of a change in presidential power have been replaced by a coherent system of social policy. The main reason for this was the evaluation of the impact of the conditional transfer program for low-income families "Progreso", conducted back in 2000 by the International Institute for Food Policy Research. The results of the evaluation showed a high level of effectiveness of such payments in comparison with in-kind transfers, as well as a positive impact of the program on the level of education and nutrition of children in rural areas. The successful practices of the Mexican government were subsequently retransmitted to other developing countries<sup>13</sup>.

A fairly wide range of initiatives focused on working with evidence has also been undertaken for the purposes of combating crime. So, according to one of the randomized studies, it proves that a comfortable urban environment, in particular, street lighting, can reduce the number of crimes (by 4% in relation to the streets of New York)<sup>14</sup>. Analysis of other factors, the impact on which can lead to a decrease in the level of crime, is currently being carried out by many analytical associations, in particular, in collaboration with public authorities and educational organizations. Thus, a relevant example is the activities of the Police College of England; The Crime Reduction Toolkit is an evidence gap map that ranks potential government interventions according to their impact and level of evidence. Thus, for example, according to the map, educational activities to prevent violence among teenagers and young people have a stronger effect on reducing the number of offenses than restrictions on the sale of weapons.

The above examples show that the evidence-based approach is not only viable, but provides a real opportunity, based on accurate data and their scientific justification, to improve the quality of life of the population, as well as counteract the protracted problem of a socio-economic nature. Based on this idea, it would be legitimate to conclude that the use of this approach in the economic direction will have a positive effect, in particular, for the purposes of sectoral balancing, which is relevant for our time<sup>15</sup>. The instrumental foundation for achieving this goal already exists in international practice, involving, at the same time, the entire public management, and not just a separate political component. Here are some examples:

<sup>12</sup>Ventures A. (2020) Social Programs That Work Review: Evidence Summary for the Nurse Family Partnership. Social Programs That Work. URL: <https://evidencebasedprograms.org/document/nurse-family-partnership-nfp-evidence-summary/> (date of access: 04/10/2023)

<sup>13</sup>How did Mexico become an example for the rest of the world in organizing effective social payments? Center for Advanced Management Decisions. – URL: <https://ebpm.cpur.ru/mexico> (date of access: 04/10/2023)

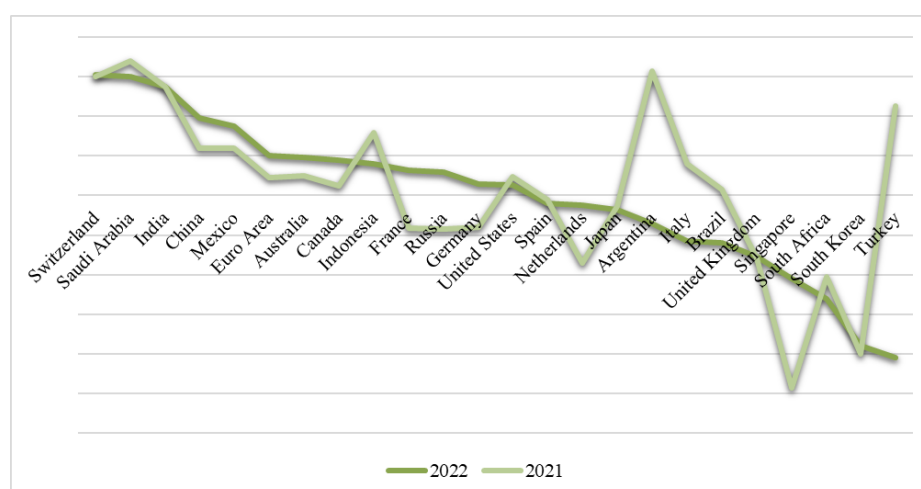
<sup>14</sup>Chalfin A. Hansen B., Lerner J. et al. (2022) Reducing Crime Through Environmental Design: Evidence from a Randomized Experiment of Street Lighting in New York City. *J Quant Criminol*. Vol. 38, pp. 127-157.

<sup>15</sup> Jaghoubi S. Modeling Volatility Spillovers Between Stock Returns, Oil Prices, and Exchange Rates: Evidence from Russia and China. *J Organ Behav Res*. 2021;6(1):220-32.

1. Evaluation Officers at the US Department of Labor: To increase the effectiveness of policy decisions regarding unemployment and workers' rights, the US Department of Labor has established an independent division within its structure. Employees of the department, armed with methods of evidence-based policy, evaluate the effectiveness of benefits and state programs, prepare amendments to the legislation and bear the sonorous name - Chief Evaluation officer.
2. Evidence-Based Practices Collection Platform in Science and Education (Japan): if in North America the system of evidence-based policy has evolved over the past few decades and developed largely spontaneously, in Japan the opposite trend can now be observed: the promotion of EBPM has been approved at the highest level. Profile platforms for collecting evidence and integrating it into the decisions of the state apparatus in the country have been working quite recently, but have already shown their first results, for example, in the field of education and science.
3. Infrastructure of evidence-based policy without a single center (Canada): elements of evidence-based policy in Canada were put into practice in the 1990s and spread in various social spheres. Today, experts and government agencies are collaborating on evidence-based policy projects within a single ecosystem, but without strict centralization. This fragmentation helps to carry out important research on various topics and improve the work of the state apparatus, including in the field.
4. Centers for the collection and disclosure of administrative data (UK): a special government project Administrative Data Research UK . The organization collects datasets from administrative data, thanks to which researchers can study at the micro level problems related to socially significant topics, such as crime, health, social sphere. The collection and analysis of this type of data has already made it possible to contribute to the fight against alcoholism in the country and quickly respond to the course of the COVID-19 pandemic<sup>16</sup>.

## 5. DISCUSSION

According to Dosso M. and joint authors, the use of a scientific approach for the purposes of managing big data in various sectors of the national economy is primarily due to the belief that each integrated innovation (innovative solution, innovative technology, innovative paradigm, and so on) is a key factor in the sustainable economic development of the state and a predictor high social return<sup>17</sup>. It follows from this that at present there is a need to give preference to the development of the direction of industrial research and innovation, and in the conditions of an imbalance in the industrial sector, as such, the effectiveness and efficiency of research in this area, from our point of view, is not possible.



**Figure 1.** Dynamics of the industrial production index in 2021-2022, in % of resp. period of the previous year of the G20 countries

<sup>16</sup> Virtucio ILS, Punzalan JM, Billones JB. Virtual Screening for SARS-COV-2 Entry Inhibitors by Dual Targeting of TMPRSS2 and CTSL. *Pharmacophore*. 2023;14(1):9-18.

<sup>17</sup> Dosso M., Martin BR, Moncada-Paternö-Castello R. (2018) Towards evidence-based industrial research and innovation policy. *Science and Public Policy*. Vol. 45. Iss. 2. pp. 143-150.

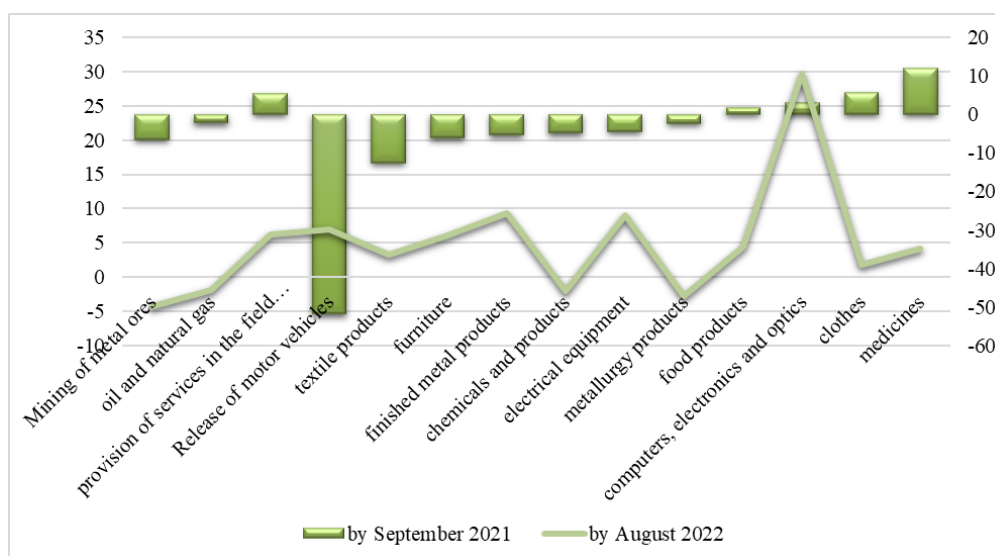




Source: Trading Economics

The trend of our time is a prolonged acceleration of the decline in industrial production in developed and developing countries, which is due to the complicated socio-economic conditions for the operation of such industries due to geopolitical influence (Fig. 1). A similar trend is taking place in one of the largest world powers - the Russian Federation. Thus, according to Rosstat data for September 2022, the annual decline in the indicator was estimated at 3.1% after a 0.1% decline in August (Fig. 2). And despite the fact that the intra-annual dynamics (month-on-month, seasonally adjusted), on the contrary, showed a slowdown in the decline, reflecting adaptation to the new reality (in September, the indicator decreased by 0.4% against 0.9% in August and an increase of 1.2% in July), it is too early to talk about the stabilization of the industry. This is also evidenced by the fact that, in general, since the beginning of 2022, production volumes have grown by 0.4% - such results, as analysts note, are largely ensured, on the one hand, by an increase in the indicator in the first quarter (5.1%), on the other hand, a systemic decline in the second and third quarters (2.5% and 1.3%, respectively)<sup>18</sup>.

According to Olga Belenkaya, head of the macroeconomic analysis department at Finam, the “pro-inflationary” factors that led to the deterioration of economic dynamics, due, in particular, to shocks in supply and demand, were largely due to partial mobilization and increased migration flow<sup>19</sup>. According to the expert, the figure published by Rosstat turned out to be 1.5 times worse than economists’ expectations (for example, according to the Interfax consensus forecast, 1.9% was expected), as well as the official forecast of the Government of the Russian Federation for the end of 2022 (-1.8%). Evidence of the weakening of the sector are trends in individual industries. So, for example, the extraction of minerals “dipped” by 1.8% due to the stagnation of the gas industry, which, after the suspension of supplies to European countries, lost 25.4% of production volumes. In general, in the manufacturing sector, the decline accelerated 5 times - from 0.8% in August to 4% in September 2022.



**Figure 2.** Dynamics of output of individual industrial sectors in the Russian Federation in September 2022, %

Source: Rosstat

The imbalance is also observed in the automotive industry, which, according to analysts, was provoked by the departure of foreign players from the Russian market (-3.8% compared to the same period in 2021). The annual decline thus accelerated by 77.4%. Metallurgical production, deprived of access to foreign markets, also reduced steel output by 6.3% versus August and 9.9% in annual terms. Fertilizer production stagnation reached 14%, woodworking industry - 19.9%. It should be noted that only three sectors showed a positive

<sup>18</sup>Galiyeva D., Sapozhnikov O. (2022) Industry adapts without overclocking. Kommersant. ULR: <https://www.kommersant.ru/doc/5634230> (date of access: 04/10/2023)

<sup>19</sup>Mordovina M. (2022) The Central Bank under the yoke of uncertainty. RBC. – ULR: <https://www.rbc.ru/newspaper/2022/10/24/6352973d9a7947ebdd143841> (date of access: 04/10/2023)



trend - pharmaceutical (+11.9%), textile (+5.6%) and food industry (+1.8%)<sup>20</sup>.

For the purposes of stabilizing production volumes and, in general, supporting domestic producers in crisis conditions, caused, in particular, by the introduction of political, economic, and other sanctions against the Russian Federation, its citizens, legal entities and (or) termination of employers' activities, for the medium and long term In the future, appropriate measures have been developed: new tax incentives and reliefs (No. 66-FL of March 26, 2022) and other preferences of the Federal Tax Service of Russia, optimized terms for paying taxes and contributions (No. 52-FL of March 9, 2022), credit holidays (Art. 13 No. 46-FL of 03/08/2022), incl. for the affected sectors of the economy due to sanctions pressure from "unfriendly" countries (Decree of the Government of the Russian Federation of March 10, 2022 No. 337), corporate benefits for enterprises of legal forms LLC and JSC (Art. 17 No. 46-FL of March 8, 2022), moratorium on scheduled inspections of small and medium-sized businesses and IT companies (No. 52-FL), reduction of penalties for late payments for enterprises (clause 4, article 75 of the Tax Code of the Russian Federation, No. 66-FL), special permits for transactions with representatives of foreign business structures (clause 1 of Decree of the President of Russia dated 01.03.2022 No. 81, Decree of the Government of Russia dated 06.03.2022 No. 295, Order of the Government of Russia dated 05.03.2022 No. 430-r) and so on.

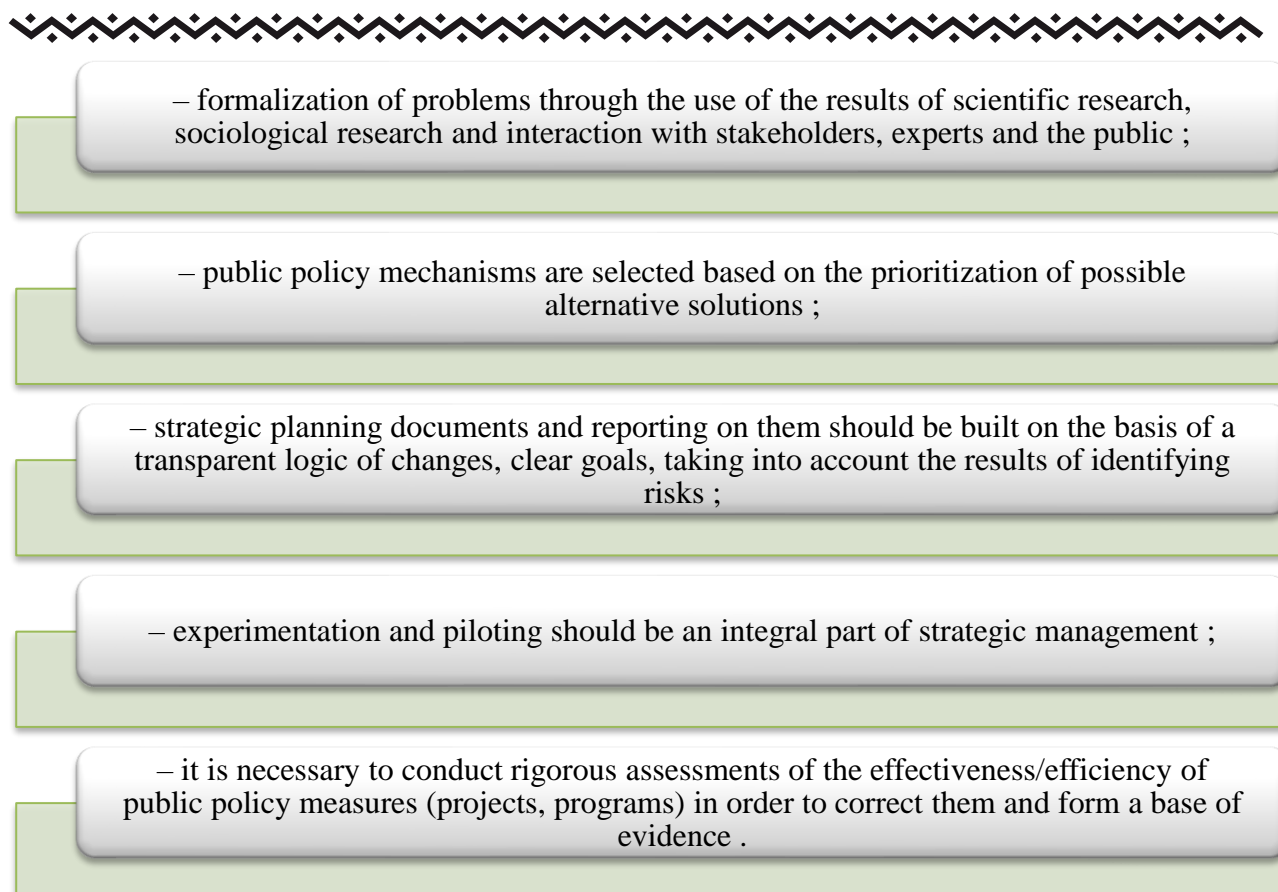
In our opinion, the measure to put into operation the online service "Import Substitution Exchange" deserves special attention, created for the prompt search by manufacturers and customers of products, raw materials and materials of domestic production. Using this service, customers can make requests for the purchase of industrial products, spare parts and components, and suppliers can send their price lists and offer analogues without additional approvals and intermediaries (34). As indicated on the official website of the President of Russia, the database will gradually include not only domestic, but also foreign suppliers who are ready to cooperate with customers from the Russian Federation<sup>21</sup>.

Taking into account the fact that the listed and other measures to support Russian industrial enterprises are being introduced, as experts point out, in an operational mode and are aimed at stabilizing the situation in the sector at a specific point in time, i.e. are not focused on the medium and long term due to its uncertainty<sup>22</sup>, one of the priority tasks of key stakeholders (the Government of Russia, the Ministry of Industry and Trade of Russia, the expert, scientific, business community, etc.) is the development (or smart adaptation) of the existing methodology for auditing the effectiveness of state measures to support industry . It seems that, given the well-known circumstances, it is important to rely on the evidence-based approach, since, in our opinion, in the context of reorienting the assessment (audit) model adopted in the country to the "rails" of the evidence-based paradigm, it is possible to develop target areas for stabilizing and adapting the domestic industry sector to a new economic reality.

<sup>20</sup>Rosstat recorded the strongest drop in industry since the beginning of the war. – 26.10.2022. The Moscow Times. ULR: <https://www.moscowtimes.io/2022/10/26/ford-okonchatelno-ushel-izrossii-a25743> (date of access: 04/10/2023)

<sup>21</sup>Fedorova D. (2022) An online service was launched to ensure direct interaction between companies and customers. GARANT. ULR : <https://www.garant.ru/news/1532343/> ( date of access : 04/10/2023)

<sup>22</sup>Shuvalova M. (2022) Support for small and medium-sized businesses under sanctions. GARANT. ULR: <https://www.garant.ru/article/1532971/> (date of access: 04/10/2023)



**Figure 3.** Principles of an evidence-based approach to making public [industry] management decisions (evidence-based policy)

Source: On the evidence-based approach to managerial decision-making (2022)

The value of this approach, as noted by the head of the Accounts Chamber of the Russian Federation A.L. Kudrin lies in the duality of his nature. So, on the one hand, evidence-based policy is focused on the accumulation of knowledge based on the application of research methods about which programs and projects are effective and in what circumstances. On the other hand, evidence-based politics is the activity of "smart" redistribution of resources in favor of the most effective and efficient decisions made by the relevant structures. Together, this seems to provide a valuable analytical resource for balancing industries and specific business entities, based on the rules (principles) of the evidence paradigm (**Fig. 3**). Moreover, the politician pointed out, it is no less significant that the evidence-based policy implies the existence of effective channels of communication between the parties involved - civil servants, recipients of support measures, the scientific and expert community and other parties<sup>23</sup>.

Scientific research by domestic and foreign authors who have attempted to study the possibilities of introducing an evidence-based approach and the direct implementation of evidence-based policy elements in the practice of public production (industrial) management<sup>24</sup>, allow us to conclude that the evidence used

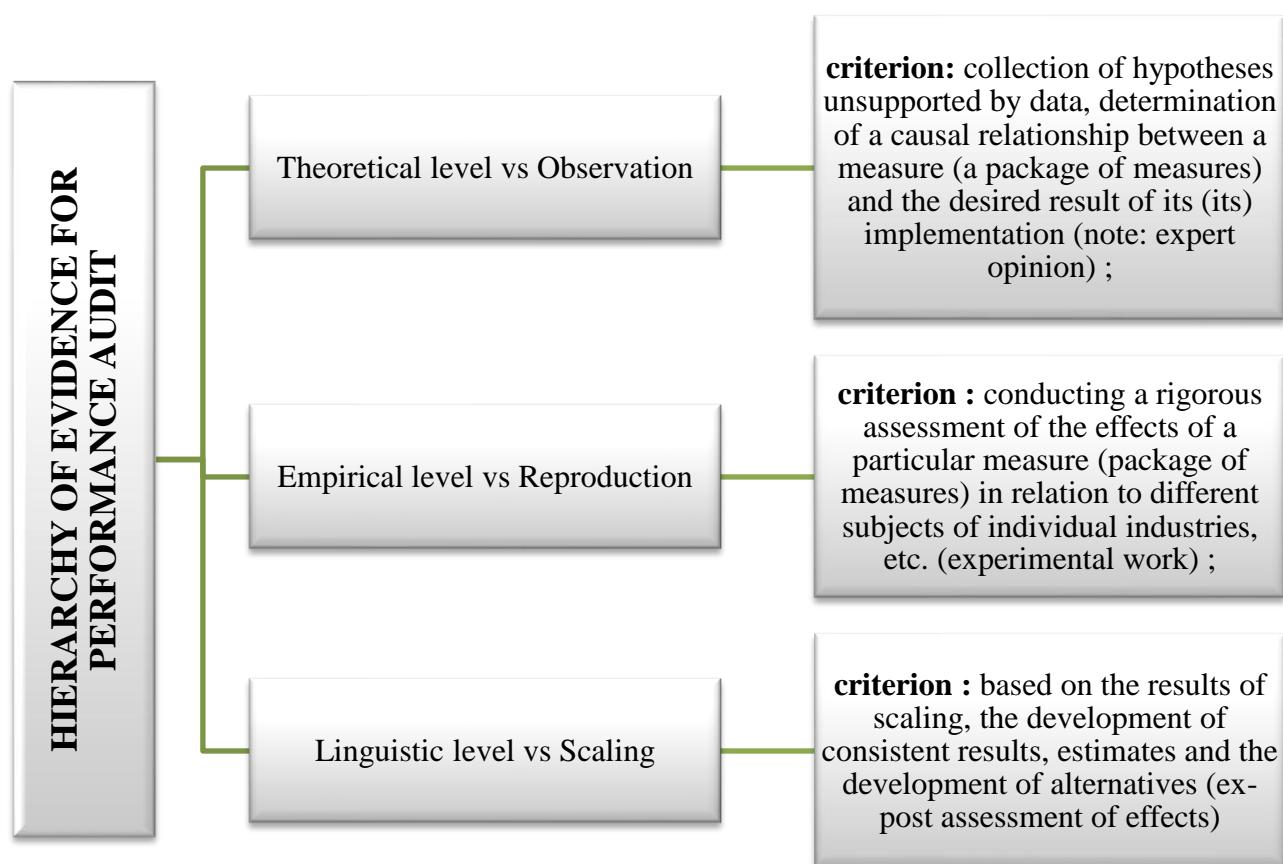
<sup>23</sup>Little A. (2022) Kudrin in the history of Russia: what and to whom do we want to prove? Information Agency «REGNUM». ULR: <https://yandex.ru/turbo/regnum.ru/s/news/3624675.html> (date of access: 04/10/2023)

<sup>24</sup>Mikhailova OV, Batovrina EV (2022) Evidence-Based Politics: Conceptualization and Evaluation of Russian Experience. public administration. Electronic Bulletin. no. 90.pp. 143-155; Collier J., Iheanacho I. (2002) The pharmaceutical industry as an informant. *Lancet*. Vol. 360 (9343). pp. 1405-1409; Jonkers K., Sachwald F. (2018) 'The dual impact of 'excellent' research on science and innovation: the case of Europe', *Science and Public Policy*. In: M. Dosso, B. Martin, and P. Moncada-Paternò-Castello (eds). *Towards evidence-based industrial research and innovation policy*. Special Issue, 45/2. pp. 159-174; Saltelli A., Giampietro M. (2017) What is wrong with evidence-based policy, and how can it be improved? *futures*. Vol. 91.pp. 62-71; Al Sabahi S. (2022) Evidence-Informed Policy-Making: Will It Ever Be Enough? A Response to the Recent Commentary. *Int J Health Policy Manag*. Nov 1 Vol. 12 . pp. 7722



to solve the tasks set by the government, authorities and (or) industry differ to a certain extent, which is why it is important to develop tools, standards (hierarchy) for the development of such evidence to guide the adoption of appropriate management decisions, in particular, in relation to industry support measures. Regarding standardization, the differences can be explained by the methods used, as well as by the data, which impose restrictions on what conclusions can be drawn from the results of the study. For example, monitoring the dynamics of the production of finished metal products cannot tell whether a particular tax benefit works or not, in particular, due to the presence of other factors affecting the performance of manufacturers of these products, as well as other government support measures.

So, as can be seen in **Figure 4**, at the first stage of the hierarchy (standard) of evidence, which will subsequently be used to audit the effectiveness of existing measures of state support for industrial enterprises, a theoretical approach should be determined - these are, in particular, the opinions of individual representatives of the expert community, about one or another subject, process or phenomenon (for example, on the effectiveness of a moratorium on inspections of industrial enterprises). At the next stage, there are the results of a correlation or descriptive analysis of administrative and other data, qualitative research, surveys to determine the boundaries of the problem, describe the phenomenon through the dynamics of indicators or their relationship (empirical approach). Of course, in order to answer questions about the real (true) effects of a particular measure or a set of measures of state support for domestic producers, as well as to determine whether this or that solution works, and not related factors, experimental and quasi-experimental approaches should be used when implementing the audit (evaluation) activities, which is the third level of the hierarchy (standard) of evidence.



**Figure 4.** Hierarchy (standard) of evidence used to audit the effectiveness of existing measures of state support for domestic industrial enterprises

Source: compiled by the author

At its fourth stage, there are systematic reviews of evidence of the functioning of the same mechanism (for example, the effectiveness of a measure of credit holidays or concessional lending to "affected" industries or one specific industry, depending on geography - region, municipality), following which auditors in

cooperation with representatives of the scientific and expert communities will be able to receive reliable and up-to-date data on an ongoing basis, the interpretation and interpretation of which will make it possible to draw a conclusion about the effectiveness or inefficiency of certain measures of state support for Russian industrial enterprises (expert assessments). Scaling at this level involves validating the results obtained in the course of auditing in an expanded “context” (for example, regarding the effects of the “work” of measures for extractive industry entities). At the final fifth stage, alternative, at the same time, ex - post assessments of the effects of a separate state support measure or a whole package are developed, based on which it is possible to refine existing positions (for example, on goals or budget), replace “non-working” and (or) supplement with new measures (practice-oriented or practice-methodological approach).

As V.L. Tambovtsev regarding the applied consequences of applying the potential of the principles, methods and approaches of evidence-based policy to the analysis and evaluation of the effectiveness of the current industrial policy, “the most fruitful <...> research and development that can convincingly demonstrate the likely economic, social and political consequences for various stakeholders, which will lead to a variant of industrial policy actually carried out by the government of a particular country”<sup>25</sup>.

An important task is also to clarify and systematize the instrumental component of the evidence-based approach, i.e. those means that will allow managing the received data, interpreting them by the expert and scientific community, for the purpose of further elaboration and laying them in the basis of management initiatives. The expediency of selecting the optimal tools for evidence-based policy is determined, first of all, by the complexity of the framework (algorithm, mechanism) for its implementation and, accordingly, the specifics of the public administration model in a particular country. The solution of this responsible and complex task at present seems to be relatively easy to solve, given the trends in the digitalization of analytics and data collection tools. It is evident that the world community is increasingly promoting the idea of using them to create social value and the concept of data-driven governance. This trend, as well as unsatisfactory results in combating corruption, fighting poverty, low levels of education of citizens, crime, high mortality from preventable diseases, stimulated in a number of countries (in Russia, in particular), the transition from decisions based on ideology or political subjectivism (in fact, the “rational-intuitive” approach), to evidence-based public policy.

For example, in Russia there are successful practices of applying an evidence-based approach through data management mechanisms. So, as an example, we can cite such regional and departmental projects as<sup>26</sup>: analysis of the effectiveness of the unified state reporting system “Reports of departments” of the information portal “Open Tatarstan” (2020, the goal is to increase efficiency in reporting, reduce labor costs); implementation of a data management system in the Accounts Chamber of Russia (2021 - the goal is to improve the quality of data and ease of use, automate their processing, change the culture of working with data in the organization); the PandemicDataHack hackathon and the use of its results in the practice of the Federal Service for Labor and Employment (2020, the goal is to create a model and test hypotheses for the development of the services of the unified platform “Work in Russia”, research in the field of the labor market during the pandemic); creation of the Onkopoisk web application as an early warning system for oncological diseases in Yakutia (2020, the goal is the early diagnosis of malignant neoplasms and precancerous pathology, the identification of six types of cancer, the most common in Yakutia); development and implementation of the MFC IS to improve the efficiency of management of My Documents branches in the Novosibirsk Region (2018, the goal is to improve the efficiency and quality of the provision of state and municipal services in the Novosibirsk Region), etc. Moreover, despite the fact that the evidence-based policy in Russia at the present stage is represented by fragmented (however, strong) research teams, often not incorporated into government business processes, there is still a potential for implementing an evidence-based approach.

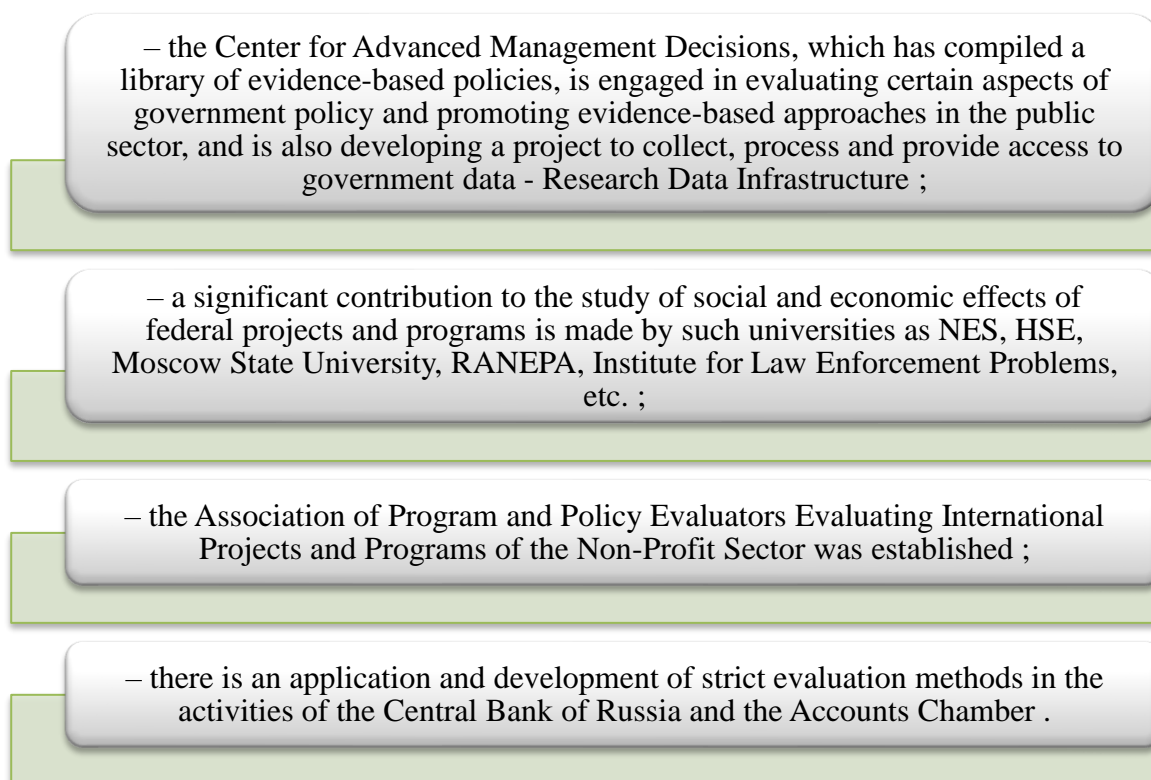
At present, the Russian Federation has all the necessary infrastructure to implement a project to improve the efficiency of the industrial sector, as well as well-established interaction between research, innovation centers and public authorities in the development of various project and strategic initiatives, as well as IT

<sup>25</sup>Tambovtsev VL (2017) Industrial policy: towards a new understanding. Bulletin of the Ural State Economic University. Vol. 5.pp. 54-67

<sup>26</sup>Giatsintova OM, Sazonova VA, Shklyaruk MS (2022) Data management in the public sector. Navigator for beginners. Moscow: RANEP. \$198

analogues of datasets (experience of the Republic of Tatarstan) (Fig. 5). The main task of the key stakeholders of public management in the country, therefore, is to restructure and systematize the processes used and reorient them “in the context” of evidence-based policy, because excluding political subjectivism, the collaboration of such structures as the Ministry of Labor of Russia, Rosstat, TsPUR, Institute for Law Enforcement Problems, RANEPa, NRU HSE, representatives of the business community, has every chance of obtaining a positive result, namely, the development of relevant measures of state support that provide the necessary effect and result industrial enterprises, at a particular point in time, forced to conduct their activities in conditions of uncertainty.

In international practice, over the past few years, certain international experience has also been accumulated in the application of evidence-based policy tools, the adaptive application of which is expected to allow them to be used to improve state support for Russian industrial enterprises. How very accurately, in this regard, note E.A. Kapoguzov and R.I. Chupin, despite the fact that the issue of applying an evidence-based state policy in the field of industry is not a priority for the international research community and is only occasionally manifested in legal acts (in Russia, for example, this is Federal Law No. 488 dated December 31, 2014 “On the Industrial Policy of the Russian Federation”), “the use of this approach for the methodological justification of economic policy in general and industrial policy in particular is <...> one of the key reserves for improving the mechanisms for making managerial decisions”<sup>27</sup>. Therefore, there is a need for active international cooperation in the direction of using an evidence-based approach both for the purposes of balancing industrial sectors and other sectors of the economy.



**Figure 5.** Evidence Based Policy Infrastructure in the Russian Federation

Source: ECONS

Thus, in order to improve state support for industrial enterprises, both Russian and foreign, the experience of building an infrastructure for collecting and processing administrative data in the UK is of interest. In this case, administrative means information that is collected and stored automatically by state bodies in

<sup>27</sup>Kapoguzov EA, Chupin RI (2022) The possibilities of using an evidence-based approach for the analysis of industrial policy. Bulletin of the Kemerovo State University. Series: Political, sociological and economic sciences. Iss. 7 Vol. 3. S. 323-330.

the implementation of their state functions, for example, when providing services to citizens from schools, hospitals, and social organizations. They include information about everyone who interacts with the state, that is about the widest possible range of subjects, and in the most detailed way - at the level of an individual, group, company, etc. That is why, through such information, one can get a fairly accurate idea of the state of society. In turn, for the purposes of applying the data obtained for research purposes and, accordingly, developing evidence-based management decisions, the Administrative Data Research UK (ADR UK) organization was established in 2018, which has offices in all four administrative and political parts of the UK - in England, Northern Ireland, Scotland and Wales.

This structure has become one of the elements of the system being built for researchers to access administrative data in the UK. The founder was the UK Economic and Social Research Council (ESRC), which is the country's largest government organization that funds research to solve social and economic problems through an evidence-based approach. It is important to note that the activities of ADR UK are based on the principles of collaboration through cooperation with the national scientific community, official statistical offices throughout the country, and participation in international projects, etc. Under her patronage, datasets are created and provided to scientists and analysts based on the data collected by the executive authorities and state organizations of the country. At the same time, in the UK there is a certain legislative foundation (for example, the Digital Economy Act 2017), which establishes boundaries in the use of information; for example, it is forbidden to publish personal data, include information by which you can reveal your identity, and so on.


ADR UK is responsible for solving a fairly wide range of tasks, in particular, collecting information from ministries and regional departments, depersonalizing data in accordance with the law, structuring them into single datasets and bringing them into a format adaptive for users, legal storage of data, accreditation of researchers who can use datasets, check their declared topics for projects for evidence-based policy, issue grants for this kind of research. The effectiveness of solving these problems is evidenced by: preparation of more than 300 datasets (2018-2021); for researchers willing to work on the basis of this data, grants of £6 million have been approved; more than 4,000 prospectors received state support; more than a thousand different works have been performed using structure datasets; seven British ministries were involved in the work of the researchers.

## 6. CONCLUSIONS

The study allows us to conclude that evidence-based policy tools in the field of public administration can have a positive impact on balancing certain sectors of the national economy, in particular, industry. However, there is a need to expand research practices and public initiatives in this direction, not only by the academic and scientific community, but also by other stakeholders in the context of international collaboration (useful cooperation and exchange of practices). In order to enable such research and development, it seems important, among other things, to focus on the existing range of problems in a particular industry (retrospectively accompanying the sector, for example, the imbalance between the institution of intellectual property protection and open innovation, between cooperation and competition in industry) and clarifications opportunities to solve them through the prism of an evidence-based approach (for example, an accurate assessment and "smart" balancing of the regulatory and patronage mechanism of industrial innovations and related industrial policy priorities) used for specific purposes, including auditing the effectiveness of existing state support measures for industrial enterprises, taking into account situations not only "today", but also "tomorrow".

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