# BACK TO THE FORMATION OF CONCEPTUAL-CATEGORIAL APPARATUS IN CLUSTERING THEORY

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There are systemized and analyzed approaches of different authors regarding the formation of the cluster concept and its definition for its area of expertise. The deep analysis of advantages and disadvantages allowed to formulate the author's definition of the cluster concept, in which the author partially corrected the drawbacks of the existing approaches.

At the end of 1980s, the researchers (such as Michael Porter) found out that in different countries of the world there are groups or "conglomerates" of competitive enterprises within individual industries. In spite of their small territorial size, such enterprises occupy the leading place in the market.

The given conglomerates are known as "clusters". They exist in different economical and social conditions, and in most cases are competitive. The analysis of economical literature showed that there is a large number of different concept definitions for clusters, which are sometimes characterized by indistinctness, lack of clear criteria while defining this concept and sometimes even mutual inconsistencies. In many cases one and the same author gives essentially different cluster definitions, which shows the novelty, weakness of the given subject and the importance of its comprehensive analysis for further development of economic science. In this respect, it sounds reasonable to carry out the detailed analysis of the existing scientific approaches to the definition of "cluster", to classify the given approaches and to identify their weak and strong points.

Historically, the first approach to cluster concept definition is the geographical approach. According to it, the main criterion for enterprise consolidation into clusters is the geographical proximity.

The common disadvantage of all the definitions, which use the mentioned approach, is the lack of clear criteria for the definition of enterprises proximity. It is important to note: along with development of modern information and communication technologies, the given factor is more and more evened. For the establishment of close economic connections in post-industrial economics, the territorial limitations are practically non-existent. For example, the majority of large consumer goods manufacturers, which are normally situated in Northern America or Europe, cooperate with Chinese suppliers or have their own production departments in China.

The next approach to the cluster definition is the branch one. It is characterized by the integration into the cluster according to a certain industrial branch, which contradicts with all other approaches and that is why it is initially wrong from the point of view of economic science.

In Russian economic science the term "cluster" is more and more often used with regard to the branch. Such substitution, at the first thought, does not bring fatal consequences. But the substitution of definitions can be dangerous because it prevents clear understanding of the perspective. It is inadmissible to make equal the branch (in any shape or form, including the one shared between several large companies) and the cluster.

The following approach to "cluster" definition is based on companies' interaction inside the cluster and implies the repeated connections between companies, which increase the competitiveness of all economic units involved. However, this approach does not take into account the quantity and quality of inter-company contacts. Strictly speaking, any company, which delivers goods or services to another company (included into the production chain), can be ranged to the cluster, specialized in production. As a result, the literal use of the given approach (without clear criteria regarding the attribution of the enterprise to this or that cluster), all the existing enterprises could be included into the cluster.

The special case of the approach, which is based on companies interaction within the cluster, is attribution of all enterprises, participating

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in the production chain of the certain product added value, to the cluster. Such approach is the most advisable as it makes an attempt to consider the quality of individual enterprises interaction according to the importance in the process of added value formation, but the enterprises, which form the infrastructure and conditions for the cluster's development in general are not considered (such as research institutes, Universities, etc.).

The most developed approach is the one based on the criteria of geographical localization and close interconnection between companies. Weak and strong points of the given approach stipulated the peculiarity of the two previous approaches, both of which served as a background to it.

The majority of definitions define the cluster as local networks of specialized organizations, the production processes of which are connected via goods and services exchange, and/or knowledge, but the quality and quantity criteria of this exchange importance for cluster's enterprises was not identified.

Thus, each of the mentioned approaches have disadvantages, the elimination of which will allow to formulate the concept of "cluster" and consequently to develop the economy more efficiently in the whole.

While carrying out the analysis of the existing "cluster" definitions, it is reasonable to conclude that none of the authors formulated the clear concept of the given phenomenon and none of them identified the common characteristics for clusters, which are rather specific and essential for them.

That is why in most cases it is impossible to identify enterprises, which form the cluster.

Let us formulate the definition of "cluster". A cluster is the localization of companies, which comprise the main technological chain of added value formation and which provide multiplicative effect of the territory development in general.

The thesis of geographical concentration has to be substituted by localization, because due to this substitution the terminological connection with localization index becomes clear. The mentioned index serves as a measuring instrument. Besides, the concept of localization does not correlate all enterprises to one particular territory, but characterizes the location of the major part of them, as modern technologies even the distances.

The use of the concept of "technological chain of added value formation" is stipulated by the necessity to eliminate only those without which the formation of the final product would be impossible.

The use of the concept of multiplicative effect as significant characteristics allows identifying the quality characteristics of the localized companies.

Thus, in the proposed "cluster" definition there were partially corrected some disadvantages of the existing approaches.

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