

**Stimulation of Economic Growth with the Help of
Introduction of the Key Determinants of the Innovation Strategy**

Paper is written on the regional economics' chair of the Ukrainian Academy of Banking

Резюме

Т.В.Процик. Стимулювання економічного зростання на основі впровадження ключових детермінант інноваційної стратегії. У статті обґрунтована необхідність дотримання основ інноваційної стратегії розвитку економіки. Автором розкриті функції держави в активізації інноваційно-інвестиційних процесів в країні, розглянуті довгострокові детермінанти інноваційної активності, висвітлені аспекти фінансування інноваційних і науково-технологічних проєктів. Зазначено негативні та позитивні чинники, які супроводжують інноваційно-інвестиційну та науково-технологічну діяльність в Україні.

Ключові слова: інноваційна стратегія, детермінанти інноваційної активності, науково-технологічна діяльність.

The objective need of implementation of innovation strategy is substantiated in the article. Functions of the government in stimulation of innovation processes and investments, the long-term determinants of innovation activity, main aspects of financing of innovation, scientific and technological projects are depicted by the author. Much attention is devoted to negative and positive factors that accompany innovation, investment, scientific and technological activity in Ukraine.

Key words: innovation strategy, determinants of innovation activity, scientific and technological activity.

The world economy of the twenty first century is accompanied by the variety of innovation processes. The innovations become the determinant in the management of regions, areas and enterprises. They are considered to be the result of fundamental studies and applied developments and come from the efficient operating of the national economy. Besides, accumulated in the past reliable research potential defines the leading role of the state in all the spheres of social and economic life in all the levels today.

Comparing varieties of progress (in particular, scientific, technical, economic, social and innovation), it is appropriate to say that innovation one according to its social and economic nature is the most efficient. That could be explained by maximum use of the own wealth and potential in such branches, as science, education and culture.

In conditions of insufficiency capital turnover for our country is more recommended to follow the innovation strategy of economic development, which will take into account the world achievements and results of research progress; our own innovation ideas, projects and developments in accordance to the appearing need of society. It will allow to realize the competitive advantages of our country in the development and introduction of the innovation products and technologies on the international scene. The innovation nature of the economy will motivate the formation of the latest technologies, diversification of innovation infrastructure and preparation people for research activity.

The key points of the innovation strategy provide the shaping of the key problems of the national policy. They are directed to support the investments and innovation processes by means of taxes, budgetary, monetary instruments and institutional levers of economic regulation in purpose of the realization of the innovation strategy.

It is understandable that the leading role in the realization of the strategy must be played by the state, which will create organizing, legal and financial conditions for the development of innovation ideas and projects. The leading role of the government in stimulation of innovation, investment and research processes in the country must reveal itself in legal provision of innovation activity, in the development of long-term selective research and innovation priorities, directed on realization of the strategy of scientific and technological break. That will persuade the shaping of the strategic forecasts of social and economic development of the state taking in consideration the world trends; the stimulation of the research and innovation activity by granting the appropriate privileges, subsidies, subventions in the process of realization of research and innovation programs; support of investors, which invest money in scientifically based on high technologies and products through the subsidizing the part of percent rates on credits of the commercial banks.

The national innovation strategy can be realized on the grounds of analysis of current condition of innovation activity in the country. It must be approached to the decision of the priority tasks of the state innovation and research policies. The realization of the strategic innovation and technological plan intends the co-operation of the institutions of science and education with the appropriate innovation structures.

The guide line of the strategy of scientific and technological break is a combination of concentration of resources on development and realization of priorities of selective research policies (that will provide the spread of the fifth technological mode), which is characterized by the computer revolution, shaping the global research sets, quick spread of internet-technologies; grant of innovation nature to investments and gradual modernization on that base of national assets.

One of the main conditions of stable economic development of the country is the financing of the research and innovation processes. The successful use of innovations allows to change the amounts and quality of products. It sharply raises the capacity of work, reduces the total expenses of goods and produces the competitive products.

The experience of well-developed countries confirms that specific differences of realization of innovations from the realization of research activity are in resources, priority directions, ways of their introduction in practice and periods of realization. The main difficulty, which appears in the realization of innovation activity, is connected with the insufficiency of own means of the national enterprises and hardships connected with the attraction of the financial resources from the external sources.

For providing successful innovation activity it is necessary to reckon for such financial means: part of net revenues, internal investments from profit and means of enterprises, issue of securities, remedy for speed amortization, credits of commercial banks, hypothecary lending, state investments, savings of population, means from not budget funds, foreign investments, subsidies of the state and regional programs of development.

Modern economic situation is characterized with the practical absence of organizing and economic mechanisms of investment in substantial technological changes. The existing order of financing of the state research programs, as a rule, does not provide any achievements. The financing of the state research programs in structure of budgetary financing the science forms only 6-7 % that tells about the declarative nature of resource provision of modern state scientific and technological strategy [1, 92-99].

The means for realization of target programs must stand out with provision for value of project for domestic economy, periods of realization of the project, prices and volumes of innovations, financial condition of the enterprise, which conducts the innovation activity. According to the world practice, about 70 % of innovations are created in small and average companies. As to the short-term activity, it is necessary to develop the venture forms of financing of innovation projects, which will enable the choice of most efficient projects for technological breakout.

In modern economic conditions, which are accompanied by the various risks, enterprises must create not only insurance reserves, but also plan and form the reserves of development. The means of the last ones will be directed to the innovation activity for the reason of diversification of products and spheres of the activity, realization of research programs etc.

Today there are the cardinal changes in innovation and investment activity, which are characterized by the combination of industrial and information innovations. This is a good premise for making new innovation structures. In given context it is necessary to remind the negative factors, which restrain the development of real and financial sectors of economy of Ukraine. They are the unpleasantness of activity of official financial sector; inefficiency of fiscal and regulative policies; insufficiency of resource base; the absence of professional culture of behavior; the low activity and insufficient depth of financial markets; the absence of effective infrastructure of credit market (the mortgage, factoring); the retardation of mechanisms of financing (the leasing and forms of direct investments).

Due to the world experience, the development and introduction of innovation model of economic development must take into account the help of multinational corporations and international financial and credit institutions. It is important to stimulate the activity of huge enterprises, financial and industrial groups, scientific and technological parks, business incubators, venture enterprises on the territory of the state. Only these associations and corporations of different types can manage the new research directions and find the niches on the high technological markets.

So, the efficient functioning of the innovation structures, the use of the advanced instruments of financing, forms, stimuli and relations between subjects of management, the presence of appropriate information about the world research achievements and its efficient use in interests of national producer will promote the realization of the innovation strategy of the state and bring the shape of high effective structure in the context of increasing of the competitiveness of the national economy.

Literature

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