FINANCING INNOVATION: TRENDS AND INDICATORS

Fayziev Z.A.

Branch of Russian Economic University after G.V. Plekhanov in Tashkent

Abstract

In article are considered questions of the financing innovation activity in economy, the main stages and indicators of innovation developments. It is considered international practice of the estimation level of innovation developments of the country, as main its factor happens to the factor a relations expenses on scientific studies and development to Gross Domestic Product.

MAIN PART

Issues of financial aspects of innovation development of economy are particularly relevant for emerging market economies.

First of all, I would like to ask the question: what caused such an interest in innovation? It stands for - fashion trends (about innovation today is not said except that only just lazy) or innovation is really the need for economic and social development? The answer to this question is given by impressive results of a number of countries, including Japan, South Korea, Taiwan, as well as post-war France and Spain that have achieved these results mainly by consecutive, phase-out policy of innovation.

Speaking at the opening ceremony of the 43-rd Annual Meeting of the Board of Governors of Asian Development Bank, May 3, 2010 President of Uzbekistan Islam Karimov said: “We are aware that in the post crisis period would benefit primarily the countries who have already laid the foundations and implementing long-term innovative projects aimed at deep structural transformation and diversification of production”. If we trace the path of development of Uzbekistan for 20 years of independence, then we come to conclusion that the country, completing the first stage of the task, has an active economic policy, characteristic of the second phase of development and making efforts to move to the third stage (see picture 1).

This stage of development requires the active innovation. Therefore, the focus on innovation-oriented economy is a necessary condition for the further development of the country's progress, the accelerated increase the wealth of society and everyone in the country. But do not think that innovation - this is only the result of scientific thought; it's just new technology, equipment, goods and services. Innovation - this is broad-based reforms in education and science, improvement in the banking and financial sector, restructuring the fiscal system, structural change and diversification of production, the deepening of democratic development of our society.

Innovative development is costly, material, intellectual and financial costs of the society. In international practice, the main indicator of the level of innovative development of the country - is the cost of research and development (R & D) to GDP. In developed countries this figure ranges from 2 to 3% of GDP. We still only 0.2% of GDP. Total spent on innovation within 1% of GDP, when the innovation developed countries - 5-6%.

You can see the difference in the structure of R & D expenditures and total expenditures on innovation between developed countries and Uzbekistan. If the first 1 / 3 to half of funding for innovation is directed to the development of research and development, Uzbekistan - 1 / 5. That is, in our country that is characteristic of other developing countries, more effort is applied today to create the technological base of innovative development and production of new competitive export-oriented products that are created by borrowing and adapting the best world achievements.
In developed countries, however, where the modernization of production was carried out 10-15 years ago, updating technology park there permanently, without requiring massive hardware replacement and radical changes in technology, which offers opportunities to create more advanced technologies and products.

Government takes measures to enhance the innovation process in the country, including through increased funding of innovative projects and ideas. In the past two years, a number of decisions of the Government, extending the possibilities of financing innovation. Thus, when the Committee for Coordination of Science and Technology Foundation operates funding for innovative projects. Funds the modernization and new technologies developed for large enterprises and associations. These funds are directed to the adaptation and introduction of new, meet world-class technology, products, methods and systems of management and marketing. Taken steps to financial incentives for working scientists. On the implementation of innovative projects is allocated Reconstruction and Development Fund of the Republic of Uzbekistan.

In this year adopted a law on innovation, which will mark, among other key issues of innovation and guidelines on financing innovation.

Government takes measures to enhance the innovation process in the country, including through increased funding of innovative projects and ideas. In the past two years, a number of decisions of the Government, extending the possibilities of financing innovation. Thus, when the Committee for Coordination of Science and Technology Foundation operates funding for innovative projects. Funds the modernization and new technologies developed for large enterprises and associations. These funds are directed to the adaptation and introduction of new, meet world-class technology, products, methods and systems of management and marketing. Taken steps to financial incentives for working scientists. On the implementation of innovative projects is allocated Reconstruction and Development Fund of the Republic of Uzbekistan.

In this year adopted a law on innovation, which will mark, among other key issues of innovation and guidelines on financing innovation.

**Figure 1. Stages of innovation development of economy of Uzbekistan**
Of great importance in the renewal of industrial production, its orientation on a path of innovative development has adopted the Industrial Development Program for 2011-2015. This program will allow the end of the forecast period to produce innovative products nearly three times more than in 2010. Financing innovation from all sources will grow more than twice.

Carried out today by the state policy will allow the country to make a big step towards an economy based on innovation, improve its competitiveness on the world stage and improve the lives of our people.

REFERENCES


А.Ибрагимов, Г.Рашидова. Какой быть национальной инновационной системе Узбекистана? Журнал «Экономическое обозрение», №6, 2010 г.