

## CORPORATE CAPITAL IN THE INNOVATIVE DEVELOPMENT OF RUSSIAN ECONOMICS

© 2010 S.V. Makusheva

**Keywords:** innovative development, corporate capital, corporations.

Nowadays, innovation is believed to be the key of development trends in economics. In the article the author analyzes questions of effective participation of the corporate capital and the state in innovative development of economics.

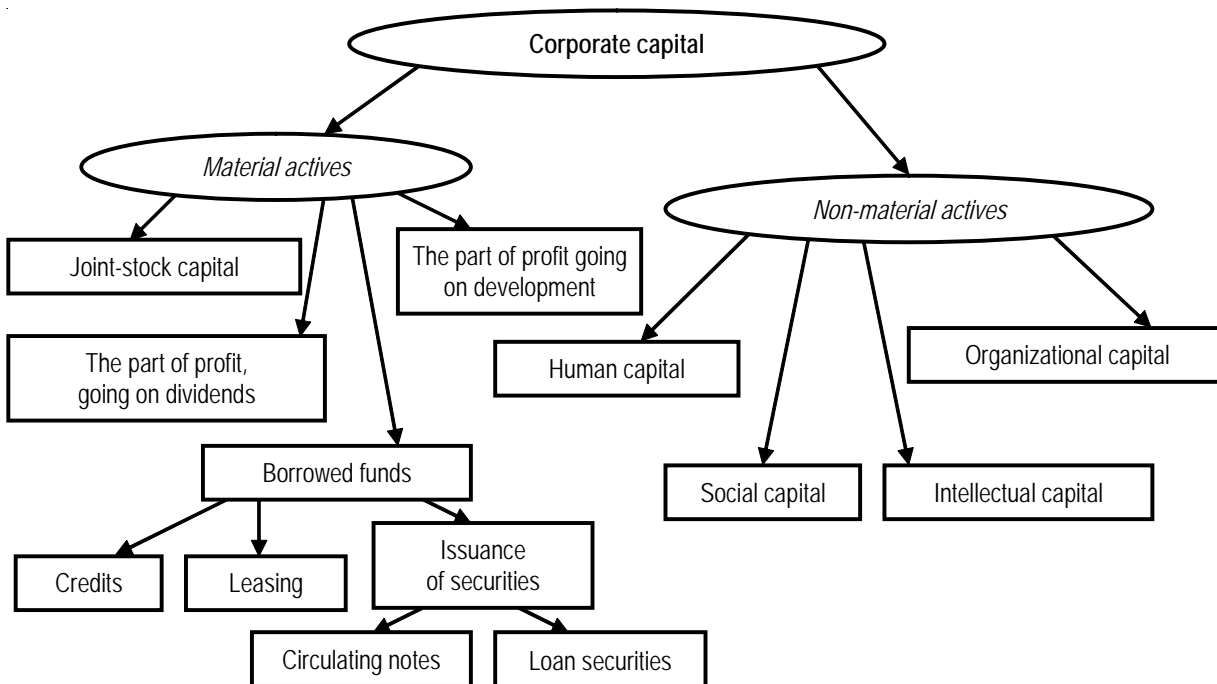
Corporations are viewed as forms of the corporate capital influence on the national economics development. The basic problem of innovative development consists in the complexity of financing in innovative activity. We will consider structure of the corporate capital and define what part of material actives can be directed to innovation financing (Figure 1).

It is possible to consider that reduction of the dividends paid by the company, and spending of this profit by an innovation will have a positive influence on innovative development of the company.

Corporate capital basic elements include integrated forms of joint-stock, intellectual, human, organizational, social and other kinds of the capital, each of which can be considered as an independent subsystem.

Let's specify what innovation is in the aspect of economical theory and business. Innovation (in wide sense) is a synonym of profitable business, adoption and deployment of a new technology in an economical and social field.

We will consider the concept of innovations from the business point of view. "We are not able to find out, what kind of goods will turn to the money," - Karl Marks wrote. Innovations can be considered as the goods too. In this quality they also interest the business as "money - innovations - money" mechanism. An ability to create intellectual products leading to breaks in technologies and incomes caused by them is called "economy of knowledge". Such economy is developing in postindustrial world. Science becomes independent productive sector of economics.



*Figure 1. Corporate capital structure*

\* Svetlana V. Makusheva, post-graduate at Samara State University of Economics. E-mail: lana1417@yandex.ru.

In the process of comparing scientific and technical laboratories in the Russian and western companies system problems can be easily revealed. In Russian R&D business and engineering centers are considered as one unit. The customer of these centers has difficulties in a procedure of contract negotiation with such a company. Budget of R&D centers has been divided and decreased after privatization; it impedes creation of centralized management systems and standard integration. The thing is that quite often corporate sciences don't have competitive products, due to it expenses on research and development that are essentially lower in the Russian corporations than in the western ones.

Russia has two problems of innovative development: separate existence of academic and corporate science and inefficiency of higher education. Thus, their radical re-structuring is necessary. It is necessary to overcome non-competitiveness of science and its isolation from business. It demands creation of high-grade sector of corporate science in the country.

Creation of a corporate scientific infrastructure and broad privatization of scientific research institutes are needed. The state should keep an institution necessary for execution of the state functions or carrying out high level researches only.

The basic tool of the state participation in applied researches should consist in financing the projects realized by business. Business is

interested in the qualified scientific personnel that have access to the necessary resources. Therefore, it expects government participation in creation projects of scientific and technical parks and laboratories equipped with physico-chemical/psychogenetic/ biotechnological test bench and factories, where innovative companies and large corporations can rent areas and equipment for business building purposes.

Our high schools don't play an appreciable role on the market of technologies. Their share in the research and development market is not above 10% and, basically, concerns the works financed by the state, instead of business. In the majority of our high schools, unlike foreign models, research activities are separated from educational ones. Joining some institutes of the Russian Academy of Sciences to leading high schools with creation of the academic universities can become a reform kernel. Combination of researches and training will provide constant inflow of young specialists to innovative activity.

So, our country has a scientific potential and is capable of generating the offer of innovations and business creating according to the demands. There is a desire of state and society to put economy on innovative rails. In order to reach the innovative development of Russia, our high schools should become the key generator of new knowledge. There are no other obstacles to create a new national innovative system in Russia.

*Received for publication on 06.09.2010.*