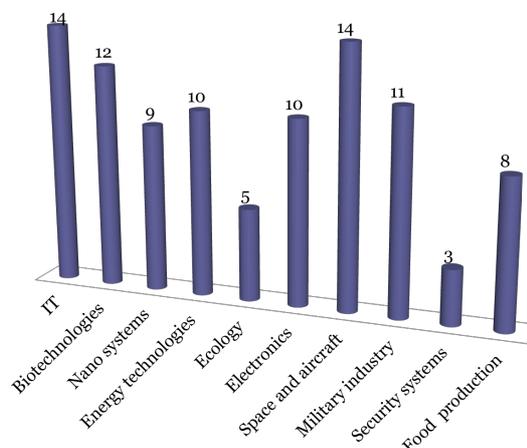


CONDITIONS FOR INNOVATIVE ACTIVITY IN RUSSIA

Any innovative activity is a process in which several key players are involved, including the author of idea, people who are responsible for its business implementation and certainly one of the main roles belongs to the state that creates some conditions for any entrepreneurial activity. For successful development and realization of any brilliant project a symbiosis of the above-mentioned components is required. The main aim of this article is to define the conditions for innovative activity in Russia, to face possible positive and negative influence of the state and to propose some measures to improve the current positions of our state.

Better to understand the current situation concerning innovative activity and the influence on it made by the state, let us look through some statistic data that will face strong and weak points, possible opportunities and threats in the this sphere. The leading positions on external and internal market belong to gas and oil industry and also to military industries. Weak positions belong to electrical industry, machine construction, instrument making, automobile constructions, road constructions and pharmaceuticals. As an additional data let us use proportions of innovation projects in various sectors of industry according Rosstat.



As it can be seen from the graph the most innovative spheres of industry are IT, Space and Aircraft, Biotechnologies and Military industry – the spheres that are not successful in external market and vice versa the leading industries such as gas and oil extraction are not innovative. Let us make the complex analysis of the current situation, beginning with the positive features:

- strong positions or leadership in many areas of fundamental science, such as technical sciences;
- strong positions in the world market in such technological areas as aerospace industry, metallurgy and energy;
- developed system of R&D institutes in various R&D spheres.

These achievements on my mind arise from the right policy of previous regime – the Soviet Union, that used the national idea as a main tool for moving the country forward and keeping its high positions in the world.

The shortcomings of nowadays regime that don't let our country to develop successfully R&D sphere and sphere of innovations begin with the most important problem – low legislative activity. It also has negative influence on the most innovative spheres that were highlighted earlier. For example it is the main obstacle for realization of new outstanding ideas in Biotechnologies as the government considers.

There are some threats such as brain drain, lack of budgeting and the most dangerous on my mind is lack of demand for innovative products, because many enterprises have obsolete equipment and try to harvest as much as possible without any costly innovation.

With the above I would like to suggest some measures for improving the current situation and make easier the realization of innovative ideas in Russia:

- provide interest-free loans to individual inventors and small start-ups;
- create venture funds and provide tax benefits for them;
- create nets of technoparks and technopolices;
- introduce benefits system for participants of technologies transfer;
- improve coordination between ministries and departments as well as between different levels of government – federal, regional and municipal;
- increase volumes of state and private investment into R&D;
- stimulate purchasing of high-tech products produced in Russia;
- introduce tax benefits using experience of foreign countries, such as - lowering tax rates for profit spent on R&D: lowering taxes paid on dividends from innovation enterprises shares; lower tax on profit received as a result of using patents, licenses, know-how and other intangible assets; reducing taxable profit on the price for equipment given to universities and R&D enterprises; subtracting charity payments to funds financing innovations from taxable income.