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IN CONDITIONS OF GLOBALIZATION

Condition of science Ukraine due to long-term negative impact of general economic problems associated with structural deformation of the economy, dominated in her low-technology industries, the products with low added value, which objectively immune to modern scientific achievements. The main factor of sustainable economic development of any country can only be of scientific and technological innovation, use of which significantly changes the volume and quality of production and consumption.

Innovative development is characterized by shifting emphasis on the use of fundamentally new advanced technology transfer to produce high-tech products, advanced organizational and managerial solutions in innovative activities. A new model of economic growth based on an innovative type of development involves changing the very notion of scientific progress and technological development. There are new social priorities: prosperity, intellectualization of production activity, the use of high and information technologies, environmental friendliness. Today Ukraine has no alternative vision of social development than the introduction of industrial-technological innovations and extensive reorientation of the intensive factors of economic growth.

Ineffective system of financing of Ukrainian science since independence almost unchanged. There was a significant reduction of investment in science as a state and business. The investments that are invested in domestic science, very little (less than 1% of GDP), which leaves it objectively possible to realize the function of effective scientific support for innovation development of economy, which would have a research intensity of GDP over 1.7%. Financing innovation with 2005 to 2010 is considered in Table 1.

Table 1: SOURCES OF FINANCING INNOVATION IN UKRAINE

Years	The total cost	Including the funds			
		Personal	State budget	International investors	Other sources
million USD					
2005	5751,6	5045,4	28,1	157,9	520,2
2006	6160,0	5211,4	114,4	176,2	658,0
2007	10850,9	7999,6	144,8	321,8	2384,7
2008	11994,2	7264,0	336,9	115,4	4277,9
2009	7949,9	5169,4	127,0	1512,9	1140,6
2010	8045,5	4775,2	87,0	2411,4	771,9

Sources: State Statistics Committee and authors' calculations

After analyzing the sources of funding, we can conclude that most of the funds provided for its own account enterprises (4775.2 million UAH in 2010), then international investors. Observed trends in significant reduction of funding from the government. But for the entire period of relief credited by the state budget and foreign investors has increased, and at their own expense - decreased. Analysis of financing innovation from 2005 to 2010 shows a positive trend for the economy of Ukraine on the significant increase in foreign investment in innovation development.

The main features of innovative development include:

- innovation in the economy does not become significant proportions of firms that introduce innovations decreases each year and is now 12-14%, which is 3-4 times less than in innovative and advanced economies [3].

- this situation is caused by a lack of funds and lack of recent years, the active state of stimulating innovation, the beginnings of which were gradually eliminated during the last 5 years of relevant amendments to the budget and other laws.

- the low level of domestic production of scholarship is determined not only lack of money or lack of incentives and benefits. The fundamental importance is the structure of the economy. In the Ukrainian economy is dominated by low-tech production, which naturally belong to the less scientific areas: mining and fuel – 0.8-1%, food, light industry, agro-industry - 1.2% [1, p.124].

- Ukraine displacement steps of innovative development will require enormous effort, resources, political will and mobilization of high society. Some sectors of the national economy, these efforts should be even greater than the total for the entire economy. In particular this applies to agriculture, light industry and pharmaceuticals.

The innovative development of Ukraine provides:

1. Adaptation of the innovation system of Ukraine to the conditions of globalization and increasing competitiveness.

2. Reorientation of production innovations to market demand and consumer.

3. Creating attractive conditions for creators of innovation, stimulate innovative activities of business.

4. Systematic approach in the management of innovation development, information society.

Analysis of the internationalization of innovation development of Ukraine indicates that the level of innovative activity, as the production of high-tech products, the volume of financing of science is far behind the leading countries. There is a lack of scientific and technological potential overall performance of the national economy, due to low efficiency of national innovation system.

In the modern world is reevaluation of fixed assets. The society turns from the economic orientation to innovation, from accumulation of material wealth as the basis of personal wealth to the accumulation of information as a basis for social progress. Not possession of material goods, as ownership of information and intellectual potential determine man's place in modern society. Investment in human capital and formation the intellectual capital of society become the preferred national interest.

An innovative type of economic development is increasingly becoming the foundation that defines the country's economic strength and its prospects in the global market. The main features of the present arrangement of forces in the world is a significant gap between the leaders, from less powerful countries. In countries belonging to the innovative leaders, there is a high concentration of the most profitable businesses, preferably a high-tech structure of national production, passing outside your home country industrial and technological cycle of production that are demanding, the largest concentration of financial flows. Despite the fact that among these countries there is fierce competition for highly profitable activities, they combine their efforts to implement a common policy on the sources of this threat.

One of the major problems that reduce the development of high-tech sector to remains a lack of funding and inefficient state innovation policy, leading to a reduction in the number of researchers, difficult to obtain economic benefits in the form of closed innovation proposals and their implementation in the fields of national economy.

Modernization of the Ukrainian economy based on innovation development has provided a comprehensive use of all available instruments of economic policy and conflict between their impacts and solutions between strategic and current tasks. Under these conditions, an innovative strategy as being by definition leads to increased profitability of domestic firms can be a real field for multifaceted cooperation between state and business.

Ukraine retains the possibility of transition to innovation model of economic development. In many areas of research and high technology of its positions remain competitive. Implementation of these capabilities crucial way depend on the direction of public policy in support of high-tech industries and the main vector of choice for International Integration of Ukraine, deepening its participation in international scientific and technical cooperation, in common with the leading countries in the world of research and industrial projects.

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