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### Problems of Innovational Development of Russian Regions in the Modern Economic Environment

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#### ABSTRACT

The article demonstrates the necessity to modernize the Russian economy on the basis of its transfer to the model of innovational development. It stipulates the urgency to take measures on changing the political situation of the state in the associated areas of the innovational activity, as well as on creating conditions required for solving innovational and reproduction tasks related to modernizing the national economy where Russian regions play an active role. It makes the scientific analysis of the economic basis of the innovational development of Russia. It represents results of the comparative analysis of possible scenarios of the innovational development of national economy and their forecasting results on the basis of revealing the leading trends of the economic development on the national and global markets. It reveals basic characteristics of the aggregation of the factors – macro-economic, meso-economic, and micro-economic – that determine the vector of innovativeness. In its turn, it defines the level of competitiveness of both the national economy as a whole and a separate region. The conducted analysis shows that, depending on the impact on the innovational development, the whole aggregation of the environmental factors is structured into two groups: limiting and stimulating factors. Regarding the limiting factors, it is necessary to make adequate actions on minimizing or blocking their effects. Maintaining and strengthening of the stimulating factors gives an opportunity of considerable growth of the innovational activity and competitiveness of the economic entity. It proves the inevitability of the transfer of Russia to a new technological order that requires the formation of a new research and industrial policy focused on innovational and technological updating of the whole economic landscape that gives a real innovational tone to the economy.

**Keywords:** Innovations, innovational development, modernization of economy, development scenarios, regions, national economy.

## **1. INTRODUCTION**

Under conditions of the globalizing economy, it is not disputable that innovational processes that cover industry, financial, and scientific and educational areas are an efficient tool of the general modernization. Accelerating and expanding scales of innovational transformations inevitably cause the necessity to refuse from the obsolete products and technologies of the activity that are a sort of barriers on the way of the progressive development of the humanity. Under these conditions it is extremely important for all subjects of economic relations to realize the importance of innovational transformations and enhance their innovational activity.

The goal of this work was to make a scientific analysis of the economic basis and scenarios of the innovational development of Russia, and to research the factors that directly or indirectly affect the efficiency of innovational transformations under conditions of instability, and determine trends of economic development on the regional, national, and global markets.

The urgency of the work is stipulated by searching for ways out of the unique situation Russia got into on its way to the innovational economy that was formed by reason of convergence of internal and external genesis factors. Under the conditions of continuous outflow of capital from the country, low level of innovational activity, insufficiency of qualified personnel, decrease in research, educational, and technological potential, etc. the economy develops according to the inertial scenario and demonstrates the decline of its growth rates down to 2-3% per year (Federal Service of State Statistics, [www.gks.ru](http://www.gks.ru)).

It is vivid that there is a necessity to take immediate measures on creating conditions required for solving innovational and reproduction tasks related to modernizing the national economy based on the innovational activity of regions.

## **2. METHODOLOGY**

When making this research, basic approaches of foreign and national researches whose interests are within social and economic development, innovational activity and regional activity were generalized. The research is based on the concept of periodic fluctuations in economy (N.D. Kondratiev, 1928), concept of national innovational systems (Freeman, 1997; Santo, 2005) as a network of institutes in public and private sectors whose functioning and interrelation causes, transforms and transfers new technologies, and theory of innovations (Schumpeter J., 1995) that considers issues related to the combinatorial set of transformations in the development, and fully characterizes innovational process. The research is also based on the process approach to understanding the essence of innovations as a process of implementing the idea and its transformation into a ready result (Glaziev et. al., 2013; Medynskiy, 2002), theory of new regionalism (Hettne, 1999) that considers regional development in the context of globalization problem, theory of territorial development (Markusen, 1987) as applied to stable development of regions; theory of integration (Machlup, 1979) in the context of the national economy integration into a system of international economic relations.

In order to formalize and generalize results of the research, general scientific methods of cognition, as well as special methods of empiric cognition were used, including scientific modeling, analysis of economic and statistical indicators, factorial analysis, method of expert estimates, etc. Theoretic methods were applied when analyzing specialized references. It gave an opportunity to reveal problematic zones in the area of innovational development of Russia and its regions.

### **3. RESULTS**

#### **3.1. Modern Trends of the Innovational Development of Russia**

The leading tendencies of the development of this century economy include the stable vector related to forming the innovational platform of economy, accelerating processes of production internationalization within the economy globalization paradigm (Machlup, 1979), occurrence of the characteristic related to the hyper-competition and turbulence of the economic environment, implementation of business processes on the basis of new informational and communicational technologies, limitation of resources that causes the problem related to stability of public development, setting new requirements to the quality, safety and novelty of products, etc. The basic feature of the modern post-industrial stage of the economic evolution is large-scale covering of science, technology and society with innovations. The characteristics, which are peculiar of the XXI century in addition to such features as universal informational space, the dominating role of human resources, essentially transform the essence of the economic activity, and raise it to a new level that was named as new or innovational economy.

Occurrence and increasing competitive advantages of the economic system in the long-term perspective are considered exceptionally in the model of new economy that is characterized by the development of the national innovational system, increase in the innovational activity of all economic subjects (Freeman and Soete, 1997), conduction and commercialization of scientific and technical developments focused on producing goods that are competitive on the international market.

The innovational principle of economic activity that is essentially different from the industrial society dominates in the new economy. According to it, scientific and technical progress that generates innovations acts as fundamental basis and the moving power.

The economic basis of the model of innovational development that is peculiar of the post-industrial society is the large-scale implementation of innovations that are a determinative of the economic growth and social development that comply with high standards (Schumpeter, 1995). The inevitability of the transformation that is characteristic for the industrial epoch of the traditional model of the economic growth into the model of innovational development is stipulated exclusively by the arrears from requirements and realities of the modern post-industrial economy (Twiss, 2002). This is an objective process based on the laws of the evolutionary theory, and it is not an exception for Russia.

Estimating the actual state of the Russian economy, it is necessary to note that it undergoes one of the difficult and responsible periods of its existence laden with the consequences of the global economic crisis, difficult geo-political situation in relation to our country, instability of the military situation, policy and sanction wars. It initiates searches for a new vector above all in the area of the economic development of the country.

By the end of the first two decades of the XXI century the Russian economy as well as the global one must have undergone five technological modes. Unfortunately, Russia is still on the 4<sup>th</sup> level, and the 5<sup>th</sup> level is being formed. It starts developing the 6<sup>th</sup> technological mode (Kleiner, 2013).

The transfer of the developed economies to the informational economic mode moves the industrial production to the developing countries and regions (Markusen, 1987). Herewith, according to the accumulated experience with the flow of time, the allocation of labor between informational and industrial

regions will be only strengthened. Thus, there is a self-stimulating process of dividing regions and countries into more profitable informational production and less profitable industrial production. Such division of labor allots a task for Russian regions to gain the niche on the formed market of the information-driven products.

Along with this, the analysis of conditions of the economic development and the current “spatial inequality” of Russian regions that inevitable causes slowing the economy modernization and complicating the transfer of innovations allowed to single out three basic typological groups (Goliashev and Griegoriev, 2014):

1. *Regions-leaders of the economic development* – according to the concept of the regional policy developed by federal governmental bodies in the early 2000s, they had to act as locomotives of growth helping economically weaker regions. Thus, 20 such regions were singled out in 2015: the Voronezh Region, the Chechen Republic, the Republic of Tatarstan, the Lipetsk Region, Saint-Petersburg, the Sakhalin Region, the Tyumen Region, the Tambov Region, the Nenetsk Autonomous District, the Moscow Region, the Republic of Ingushetia, the Republic of Mordovia, the Chukotka Autonomous District, the Tula Region, the Kursk region, the Republic of Sakha (Yakutia), the Rostov region, the Yamalo-Nenetsk Autonomous District, the Khanty-Mantsiisk Autonomous District-Yugra, and the Belgorod Region. As compared to 2014, the positions of 38 subjects of the Federation have improved, those of 41 subjects have worsened, and those of 4 regions have not changed (the Government of the Russian Federation have defined regions that are leaders according to the efficiency related to governmental bodies, 2016).
2. *Lagging regions that use mainly donation resources.* Herewith, it is necessary to note that attempts to stimulate the economic development of such regions by involving investments do not give the expected economic effect because investments in weakly developed regions with smaller competitive advantages have a low return. In such regions it is reasonable to focus, on the one hand, on state investments in overcoming infrastructure boundaries, forming the infrastructure framework of the territory development, and on the other hand, on increasing the efficiency of the social policy and development of the human capital by taking relevant measures and tools.
3. *Regions of the third group that are neither leaders nor outsiders of the economic development,* first of all, need to considerable improve the institutional environment whose under-development causes low speed of innovations transmission (technological, organizational, and management) in regions.

*Regions where natural resources are a competitive advantage* need a special approach to providing state support. Such support must be provided on a selective basis in relation to the development projects that are most important for the country taking into account limitations on human and material resources, as well as taking into account the necessity to avoid high density of homotypic projects within one economic region. This work must come with actualizing sectoral documents of strategic planning in order to form framework requirements to these projects, estimate their impact on the competitiveness of national, macro-regional, and regional economies.

*Regions of the Extreme North and Far East* must be inevitably focused on the development of the bearing of these territories, including infrastructure, selective implementation of projects that remove the existing

structural limitations in large agglomerations of the macro-region, as well as focused on the development of port areas and support for infrastructure corridors of developing these macro-regions.

In those regions where zones of growth based on the existing competitive advantages are formed, it is reasonable to provide additional support to successfully implemented projects and sectors of economy, including at the expense of privileges. It may have a positive impact on the dynamics of the economic development with the vector for obtaining innovational results.

Analyzing the growth of competitive advantages of Russian regions, it is necessary to address the data of the regions heads' rating on contributing to the competitiveness development in 2015. The rating was formed on the basis of estimating two indicators of the efficiency of the highest officials in regions: "Number of Implemented Components of the Standard of Competitiveness Development in Subjects of the Russian Federation" and "Share of Achieved Target Values of Control Indicators of Efficiency Determined in the Plan of Measures on Contributing to Competition Development in Subject of the Russian Federation Approved by the Highest Official of the Subject of the Russian Federation". In accordance with the methodology of calculating the rating (Rating of Regions Heads According to the Level of Contributing to the Competition Development in 2015, 2016) based on the synthetic classification of regions (Grigoriev et. al., 2011), all regions were classified according to 4 groups:

**Group I:** Financial and economic centers and regions focused on the export of raw materials (9 regions).

**Group II:** Regions with the diversified economy basing on the processing and producing industry (21 regions).

**Group III:** Industrial and agrarian, and agrarian and industrial regions (41 regions).

**Group IV:** Less developed raw materials and less developed agrarian regions (14 regions).

According to the results of ratings, the highest estimates of the level of contributing to the competition development were given to the Voronezh Region (the final value of the estimate is 90.18%), the Nizhni Novgorod Region (79.43%), the Khabarovsk Territory (76.10%), the Buryat Republic (75.60%), and the Chelyabinsk Region (75.57%). The lowest estimates (0%) were given to the Republic of Ingushetia, the Rostov region, the Tver Region, and the Republic of Crimea.

### **3.2. Prospects of Innovational Development of the Russian Economy in the Context of Global Factors**

The strategic documents that state conceptual approaches to the innovational development of Russia provide the possibility to implement three scenarios of the innovational development of the country:

- Inertial scenario focuses the economy on purchasing import technologies and equipment, decrease in state expenditures for the research and educational area and innovational activity that comes with the stagnation of the growth of the labor compensation in the budgetary area,
- Scenario of the pursuing development provides for the modernization of economy on the basis of implementing import technologies, increases in the competitiveness of labor and capital on the international market by attracting investments; state finances are directed to infrastructure projects and for increasing labor compensation in the budgetary sector,

Scenario of the leading development that covers fundamental researches and basic scientific and technical sectors will allow to modernize these areas, start exporting non-energy products, to achieve considerable tempos of the economic growth that as a whole will provide the competitiveness of national economy. It provides a considerable growth of state expenses for the development of human capital, scientific and innovational areas, and commercialization of results of scientific and technical researches (Strategy of Innovational Development of the Russian Federation for the Period up to 2020, 2011).

Analyzing every above scenario and taking into account the current situation in Russia and in the world that is characterized by geopolitical and economic instability, the scenario of the leading development of our country is considered as the most adequate. It includes a number of perspective areas (Russia on the Way to Modern Dynamic and Efficient Economy, 2013):

- Growth of the power of the industrial and technological potential firstly by developing operating and creating new highly technological productions,
- Transfer to the non-energy specialization of economy, including by creating highly technological productions on issuing competitive products,
- Implementing programs related to import substitution and supporting national producers, increase in the efficiency of export on the background of decreasing import, motivating the growth of internal consumer demand of population for national products,
- Increase in the power and resources efficiency, efficiency of managing property, development of infrastructure that can minimize transactional expenses in all sectors of economy,
- Creating zones of advancing development where it is possible to implement mega and infrastructure projects,
- Attracting internal and external investments on the basis of taking balanced decisions, implementing investment projects according to the principles of state and private partnership,
- Creating stimuli for the innovational activity of enterprises, decrease in the polarization of regions on the basis of the development of the system of strategic development of region, increasing the potential of donation regions,
- Increasing stability of the financial system, defining flexible tariff, customs and taxation policy, budgetary financial support for small and medium-sized business, and
- Providing guarantees of social protection of the population, solving demographic problems, etc.

It is necessary to consider the following conditions of achieving the set results: creating favorable conditions in the country to develop entrepreneurship and stimulate innovations; attracting highly technological sectors of professionals with creative thinking and aiming at creating innovational products to the science; increasing the innovational and investment attractiveness of the country and strengthening its competitive positions on this basis; creating and developing the economic environment that forms the demand for innovations; and successful pursuing of the innovational policy in regions and in the whole country. In the context of the risk and turbulent environment, the implementation

of the whole complex of measures that can transfer the Russian economy to the innovational way of development must be based on taking balanced management decisions and making the factorial analysis of the environment.

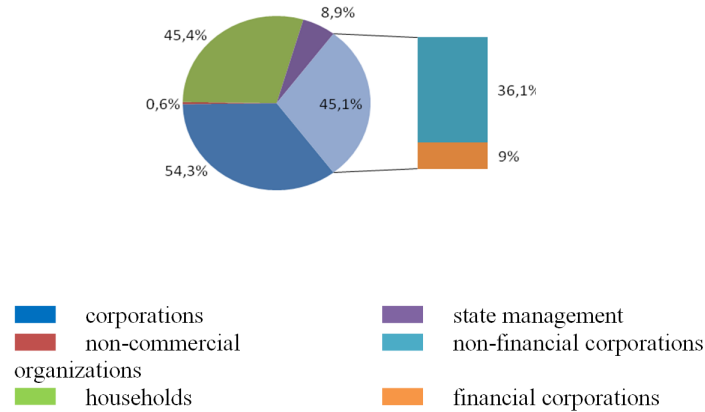
Depending on the level and scale of the efficiency of the factor, we will define their indivisible triumvirate – macroeconomic, meso-economic, and micro-economic factors – whose impact is not limited by a certain region but fairly covers the whole economic system of the country.

It is necessary to define global tendencies of the technological development and their adaptation to conditions of a specific state as the first factor of the macro-level. It goes about using technologies of double purpose that above all include informational technologies, technologies of producing new materials and complicated technical systems, bio-technologies, micro-electronics, etc. On the one hand, the formation of the informational and computer industry provides a practical opportunity to master new technologies and use them in the production by applying new materials. On the other hand, it integrates the virtual reality in the production area and contributes to the creation of the efficient system of management in the social and economic area. However, turning to the statistics, we can see a serious arrears of the Russian sector of the informational and computer technologies from the developed countries.

The second factor is the modern level of the country economy development (type of state and economy, legislation basis, maturity of social institutes), as well as involving material and energetic resources in the economic turnover in order to transform the current production and economic division of labor. According to the results of 2014, Russia occupied position 9 in the ratio of the global economies. It is one of the world exporters of power resources, armament, precious stones, metals, grain and flour. However, it was in 2015 when as a consequence of the economic crisis the country left the first top 10. The analysis of the global index of competitiveness showed that in 2015-2016 Russia occupied only position 45 out of 140 estimated countries and got up by 8 positions. According to the experts of the Global Economic Forum, the recession the country got into after the currency crisis at the end of 2014 had a great impact on the macro-economic situation in Russia. The introduced economic sanctions and instability of prices for mineral raw materials worsen the situation.

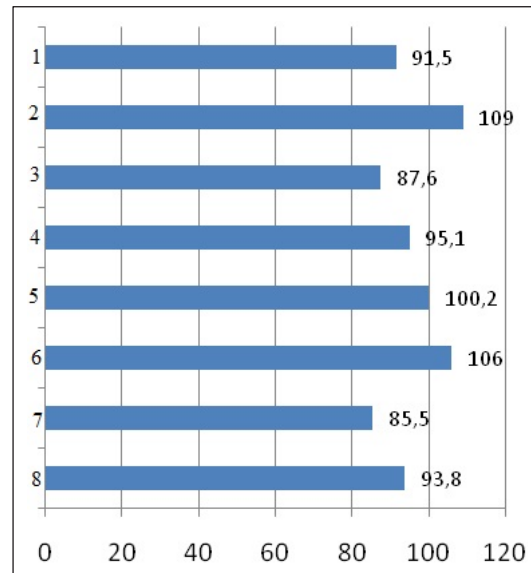
The third factor includes legislation basics, policy and practice of performing innovational and activity (innovational policy and innovational priorities of the state, new types of intellectual activity, patent activeness, and their legal protection). According to the Bloomberg Innovation Index rating formed in January 2016, Russia occupies position 12 out of 215 states according to the level of the innovational development. Its estimation included intensity of research and engineering works, productivity and concentration of highly technological productions. According to this indicator the country has got up by 6 positions since 2014. To a great degree this result is pre-determined by the efficient state innovational policy (Izmailova et. al., 2016).

The fourth factor is the transparency of economy, its investment attractiveness for national and foreign investors (investment policy of the state, resources of the investment activity, openness of the company for taking investment decisions, and international ratings). Researching the structure of investment resources, it is necessary to note that the corporate sector is the basic resource of investments (Figure 4.1).



**Figure 4.1: Structure of Investment Resources according to Institutional Sectors, 2013**

However, the basic volume of investments is related to trading, mineral production and processing productions (Figure 4.2).



**Figure 4.2: Index of Physical Volume in Basic Capital according to Types of Economic Activity (in Comparable Prices, 2014 in percent as to 2013): 1-transportation; 2-wholesaling and retailing, repair of motor vehicles; 3-construction; 4-production and allocation of electric power, gas and water; 5-processing productions; 6-mineral production; 7-fishing industry, fishery; 8-agriculture, hunting and forestry**

The fifth factor includes the dynamics and results of integrational processes (availability of national and international integrational relations, creation of research and production clusters, etc.). Considering the participation of Russia in integrational processes in the global space, it is necessary to mention a number of initiatives that were offered by it and successfully implemented on establishing the CIS, BRICS, the Customs Union, the Common Economic Space, the Eurasian Economic Union, the Shanghai Cooperation Organization, and Organization of the Safety and Cooperation Agreement. The vivid advantage of these integrational relations lies in the real development of long-term projects in Russian regions with the participation of foreign investors who gradually change their mentality in favor of subsidizing funds in research developments of low budget enterprises.



The sixth factor includes the current conditions of the social and economic activity (state of the multileveled system of education, level of technical competences of specialists, intensity of basic researches, experience of managing economic processes and their planning, taking into account international requirements to the professional training of specialists, scientific and pedagogical personnel, experts in the area of commercialization of scientific results and projects management).

The Russian economy that is characterized by a high human potential still has great chances for the innovational breakthrough. As it goes from the data of the Global Innovation Index rating for 2014-2015, a high educational level of employees is one of the three key advantages of the Russian economy. The country is a leader according to the number of population aged 25-26 who have higher education (53% in 2011). However, along with this, according to the share of the population who has a degree aged 25-34 it lags behind other countries. The quality of the Russian education decreased. Almost 1/3 of educational programs do not comply with the modern requirements of the economy, including in terms of the required specialties. As a whole, high professional skills and competencies of Russian personnel are estimated on the level of 45.4 points out of 100 (position 25). According to the number of highly qualified specialists who are employed, Russia occupies position 16, and position 24 according to the level of universities. The vague prospects of the career growth (position 83), the decrease in the prestige of the researcher and engineer, the insufficiency of motivations have a noticeable impact on the applied aspect of professional skills and innovations: in Russia the activity of entrepreneurs in the area of new products is half lower than the average global one.

The seventh factor is the current situation on the national and global markets of industrial and consumer products and its dynamicity as a reflection of the speed of implementing new technologies and technics. Today the share of Russia that is the largest state of the world is only 2.5% on the global market. The rest 97.5% includes foreign markets where every day potential clients of Russian companies search for attractive alternative offers from suppliers from the whole world. Herewith, it is exactly now in the context of the crisis, when Russia has another chance for exporting. The competently implemented export strategy will enable Russian companies that are ready to export their goods today to considerably grow their volumes of sales, increase the image and value of the company, and, what is the main, neutralize the risks related to the dynamics of the regional demand due to geographical diversification of business. Under conditions of the falling demand inside the country it is more urgent than ever. Export means an inevitable entering an essentially new level of management because of the necessity to compete with the acknowledged global leaders and comply with the world standards.

### **3.3. Factor Analysis of the Environment Related to the Development of Innovational Processes in Russian Regions**

We will agree that the innovational development of the region as an element of the economic system (Santo B., 2005) directly depends, above all, on the state of the national innovational system and a complex of factors whose clear understanding is necessary for developing efficient measures on their blocking or limiting in case of their negative impact on the innovativeness or stimulation, if they have a positive impact on the innovational development. Moreover, it is necessary to take into account the whole complex of factors – current and potentially possible – to form the investment attractiveness of the region that directly determines solving the problem of the regional innovational activity (Izmailova et. al., 2016). Thus, measuring

the state of the investment climate in Russian regions made by the Strategic Initiatives Agency allowed to reveal the territories that are the most attractive for implementing investment projects (Table 4.1) as well as to eliminate administrative barriers on the way of improving business conduction.

**Table 3.1**  
**Results of the National Rating of the Investment Climate State in**  
**Subjects of the Russian Federation in 2015-2016**

<i>Index change</i>	<i>Regions</i>	<i>2016</i>	<i>2015</i>
-4.4	Republic of Tatarstan	265.1	269.5
-1.8	Belgorod Region	259.7	261.5
-11.8	Kaluga Region	251.7	263.5
8.1	Tula Region	251.7	243.3
8.4	Tyumen Region	251.7	243.3
5.1	Chuvash Republic	249.9	244.8
2.7	Krasnodar Territory	249.2	246.5
7.4	Vladimir Region	248.5	241.1
5.4	Khanty-Mansi Autonomous District – Yugra	248.0	242.5
5.8	Moscow	247.8	242.1
-7.1	Ulyanovsk region	247.2	254.3
7.1	Tomsk Region	245.4	238.8
11.1	Oryol Region	247.6	236.5
4.9	Chechen Republic	246.0	241.1
6.4	Kirov Region	243.5	237.1
11.0	Lipetsk Region	242.6	231.5
11.0	Republic of Mordovia	242.5	241.1
11.0	Yamalo-Nenets Autonomous District	242.5	241.1
-17.8	Tambov Region	241.8	259.6
13.7	Republic of Bashkortostan	241.3	227.6

The group of meso-economic factors that have an impact on the specificity and speed of the innovational development of regions includes sectoral points of the innovational growth – sectoral innovational centers, business incubators, technological parks, centers on rendering consulting, informational, marketing, insurance services, etc. The structure of this group of factors is to a great degree pre-determined by the specificity and strategic priorities of the sector developed in the region. State policy on creating zones of territorial development (the term is 12 years), special economic zones (the term is 49 years) and priority development areas (PDA) that are established for 70 years with the prolongation option is focused on strengthening factors of this group. Special mode of taxation and softened regulations of business running (including rate of the income tax from 0 to 5%, zero property tax during the first 5 years), customs privileges, privileges related to employing qualified foreign personnel (without special permission and considering quotas) are provided for PDA. At the present time 9 such territories were established in the Far East and 1 on the Kamchatka Territory.

It is possible to observe how the state takes into account these factors through the example of formation of the modern regional and spatial policy by *rational and flexible use of special tools of territorial development*. It is

possible to single out the following tools that are widely applied in the Russian Federation today and assuming the determination of subsidies and (or) privileges: special economic zones (industrial and production, innovational, port, touristic and recreational); creating of industrial parks and technological parks; pilot innovational territorial clusters whose innovational projects are supported by target state subsidies, and priority development areas (PDA).

It is necessary to also mention tools of the territorial development that are not yet actively used because they require additional methodological consideration. It goes about industrial clusters that will be created in accordance with Federal Law of the Russian Federation dated December 31, 2014 No. 488-FZ “On Industrial Policy in the Russian Federation”.

The macro-economic factors (Veselovsky et. al., 2015) include characteristics of the companies located in the region: scales and area of activity, market position, growth dynamics, list and range of goods/ services, life time of the issued products, monitoring of the research and technical achievements on the market of innovations, level of the research and technical and technological potential, etc. In their turn, all characteristics of the company can be classified into 6 groups:

1. Financial – consolidation of financial resources, their optimal allocation and focusing on the achievement of results of the innovational activity,
2. Personnel – formation of the structure of the qualified personnel and managing it for the purpose of implementing innovational programs,
3. Technological – research and implementation of progressive technological decisions for implementing innovations,
4. Informational – development and implementation of the advanced informational and communicational technologies and objects of the intellectual property,
5. Intellectual – competences of the personnel in the area of forming and using a flow of new ideas and solutions, and
6. Organizational – balance of organizational solutions, planning the resourceful basis and forming an efficient style of the innovational activity management.

According to the authors, when classifying the factors that determine the innovational activity of regions, it is necessary to single out the human factor as a separate unit. It is acknowledged as a leading one in the epoch of the innovational economy. The modern global trend related to increasing the importance of human factors in intensifying innovations is stipulated by complicating of economic structures, technological level of productions, and interrelations of economic agents. That is why the market competition has moved to the area of intellectual factors and unique skills and competences.

Thus, the conducted factorial analysis of the environment where the innovational activity of Russian regions is developed allowed to reveal both limiting (difficult geopolitical and geo-economic situation, outflow of the capital, lack of investment resources, etc.) and stimulating (state support of the innovational development of the country and investment attractiveness of its regions, establishing integrational relations on the national and global levels, etc.) factors. It becomes possible to minimize the limiting factors and maximize the positive ones on the level of a separately taken region subject to implementing the system

approach to managing innovations that provides the aggregate of principles and requirements to forming the innovational strategy and developing regulating mechanisms on the basis of existing advantages. The strategy of innovational development must define priorities and areas of innovations based on the realistic scientifically stipulated estimations of the development potential on the basis of the system analysis of opportunities and problems, as well as to perform the differentiated problem-focused approach to innovations in regions in order to increase the social and economic balance of the development on the basis of clusters taking into account the socio-cultural identity.

#### **4. DISCUSSION**

The represented research of the innovational development of Russian regions is based on the methods of empiric and theoretical cognition. As a result of the factorial analysis, systematization of economic information, generalization of statistical data, we have got an opportunity to confirm the hypothesis about the necessity to research details of modern trends and possible scenarios of the innovational development of Russia and its regions and to select the most top priority variant that is adequate to Russian conditions. When making theoretical analysis, it was emphasized that the basic task solved by the Russian state under contemporary conditions was the innovational modernization of industry, financial, scientific and educational and social areas based on the ability to generate and quickly transform modern knowledge into innovational products and technologies, take modern decisions in the production complex, and organize the economy management on an essentially new level. Herewith, a new surge of modernization requires the inflow and increase in the quality of inventions, expanding a number of participants of the investment activity, variety of areas for investing and list of investment goods that make up priority tasks of the state today.

High veracity of the obtained results is based on the works of foreign researchers (Freeman C., Soete L., 1997; Schumpeter J., 1995 et. al.) and national economists (Glaziev, 2015; Kleiner, 2013; Medynskiy and Skamay, 2002). The conducted research is peculiar of the attempt to consider global trends and possible variants of innovational development of the country economy in the context of sanction limitations and pressure of the external economic environment. Searching for new tools of stimulating innovational activity and increasing investments in scientific and technical developments, as well as developing new efficient mechanism of supporting innovational activity of regions in the nearest future become untenable tasks on the way of returning the lost dynamisms of development to the Russian economy.

#### **5. CONCLUSION**

Thus, the conducted research gives strong evidences that the transfer of Russia to the innovational way of development requires large-scale implementation of scientific, technical, technological and social innovations that are unchanged attributes of the innovational economy that determines the vector of development from the substantiated to mainly mental labor of the individual who drastically modernizes technical basis of production, too.

Globalization of the economy of the XXI century, increase in the tempos of competition and formation of the hyper-competitive environment, transnational character of business, removal of boundaries of the informational space, increase in the innovational activity, accessibility of modern informational and communicational technologies, transformation of the role of human resources that are characteristic of the stage of post-industrial economy essentially change the basis and interpretation of the economic activity

and take it to an essentially new level. In its turn, it requires searching for new mechanisms of the economy functioning under conditions of new innovational challenges.

Large-scale modernization of the Russian economy on the basis of the accelerated innovational development is possible only subject to including Russian regions in innovational processes focused on technological update of the whole economic landscape, and making the economy really innovational. This task must be solved within the shortest period of time, i.e. according to the available estimates there are only from 3 to 5 years to complete structural reconstruction of the developed countries. After that new leaders will appear and capture a new long surge of economic growth. When solving this task, it is extremely important to increase assignments for researches, optimize the resourceful support of all parts of the “research-production” chain, harmonize the efficiency of investments and maturity of the relevant innovational environment, annually increase investments for the development of productions of a new technological mode at least 1.5 times, choose priorities for the breakthrough development of Russia based not only on the current potential but also taking into account its actual situation in the world allocation of labor.

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