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## **Innovation Economy-A New Type of Global Economic Relations**

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Abstract: Innovation is the result of the transformation of ideas, advanced scientific technical and socio-economic solution, which tends to public recognition through its use in practical activity. The concept of Innovative activity is the most important component of promoting innovation to consumers and it include scientific technical activities, organizational, financial and commercial and Research and development, as a source of new ideas, implement at different stages of the innovation process. The study of trends of economic development based on innovation primarily involves deep analysis of research, which in this case represented not only by academia, but also by numerous expert and analytical centers. Nowadays innovative processes in the Eurasian space are the subject of special and complex study of scientific -research units of the Academy of Sciences, universities, government and in dependent analytical structures both in Kazakhstan and abroad. This article reveals the essence of a weighted combination of strategy innovation environment that will create the conditions for competitiveness of product markets saturation state and open access to world markets and domestic demand will be satisfied with.

Key words: Innovative economy • Globalization of economic relations • Innovative environment • Open innovation • Open innovation internal • External open innovation • National innovation system • The National Innovation Fund • Economic resources • Economic space • Competitiveness • Global economy • Industrial giants • High technology • A single economic space • Innovative external environment • Internal innovation environment • Competition • Customs union • Strategic plans • The Eurasian space

## INTRODUCTION

World experience of economically successful countries shows that the greatest effect in the development of the economy can be obtained by the formation the innovation economy. It is in this context must be understood posed in the President of Kazakhstan NANazarbayev "Strategy" Kazakhstan -2050 ", the task of building an innovative economy. Kazakhstan should develop in line with global economic trends and become a country that absorbs all the new and advanced that it creates in the world, occupying the world economy in a small but its specific "niche" and able toquickly adaptto new economic conditions.

Innovations are not born from scratch for their appearance and mass distribution (diffusion) requires a certain set off actors and conditions that form the

environment of innovation. In summary, it includes elements such as the economy, government, institutions, business, education, society. There is reason to expect that in Kazakhstan, the external environment is not yet conducive to innovative activity. This can be seen if, at least briefly, consider the development of frame work conditions listed innovation [1].

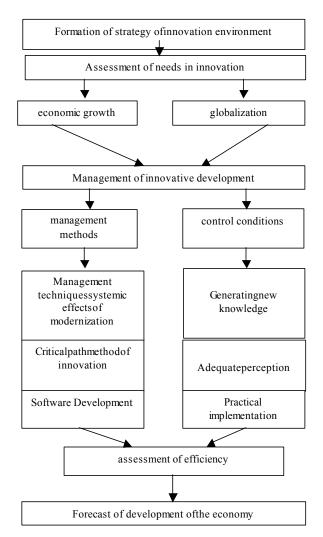
Main Part: Formation of the innovative environment involves pooling both real and potential research, technical and technological, industrial and economic processes necessary to create and commercialize innovative products, preferably with the prospect of entering the international market innovation.

Major organizational and economic requirements for innovation environment are the following:

- Creating an innovation environment should be based mainly on domestic scientific, technological, intellectual and financial resources;
- Innovative environment should be based on integrated regional innovation subsystems formed on the basis of agreed national and regional priorities and taking into account the specific conditions in Kazakhstan;
- Increasing the competitiveness of high-tech products(services) should be achieved primarily in the domestic market;
- The main mechanism for implementing the state innovation policy is to identify innovative projects of national importance, formed on the basis of strategic priorities of innovation and technological development of the country;
- Programs for supporting domestic producers and competitiveness of products (services), as well as the most important innovation projects of national importance should be based only on completed research and development and to ensure the creation of new high-tech industries;
- Direct government support should be targeted and can be performed by investments or by transfer of intellectual property rights.

Innovation environment is a socio-economic, political and regulatory environment surrounding the creation of innovation, implementation and diffusion of innovation. environment-far(macro-) External innovation near(microenvironment) surroundings, makes environment of any member of the innovation process is either indirect(macro-) or direct (microenvironment) influence on the conditions of innovation and its result [2]. As components of the macroper form social, economic and political technological, spheres. Components of the external micro environment assumed certain strategic areas of management, business area, market innovations, market pure competition innovations (innovation), the capital market (innovation investment), the administrative system of units, units of innovation in frastructure serving the innovation process [3].

Also distinguish internal innovation environment, which refers to inter company relationships, bonds formed by elements of the state of the company affecting its innovation. Knowledge of internal innovation environment provides an opportunity to assess the innovative potential of the firm. External knowledge-innovation climate. Knowledge of the environmentas a whole-an innovative firm position.

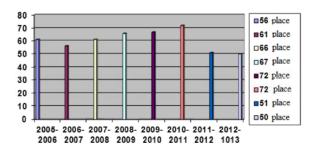


Note- picturedrawnby the authors, based on the studied literature.

Fig. 1: Formation of strategy of innovative development and evaluation of its effectiveness

Balanced combination of strategyinnovation environment (Figure 1) creates the conditions for competitiveness of product markets saturation state and open access to world markets and domestic demand will be satisfied with.

Globalization of the economy-a process of transformation of the world economy into a single market for goods, services, capital, labor and knowledge. Globalization has two main consequences. This acceleration of economic growth in the countries-with globalization, countries are starting to use their advantages in the world markets for goods and services, capital, labor and knowledge. This corresponds to the theory of comparative advantage the ory and relations of



Note-compiledbased on the studiedliterature Development ofInnovation

of Fig. 2: Dynamics Kazakhstanfor2005-2013

production factors. In accordance with the conclusions of the two theories of globalization would benefit the country with the most open economies. However, the latter conclusion is often criticized by economists dealing with developing countries [4]. As developing countries use their comparative advantage (abundant natural resources, cheap labor) gives the benefit of participation of globalization, yet it brings great benefit developed countries with their comparative advantages (knowledge, cheap capital, extensive entrepreneurial resources), especially to the extent that is growing worldwide importance factors existing primarily in them. As a result of rising incomes for all countries but primarily developed and therefore the gap in per capita income of most developing countries is growing and as a result of the global economy continues to be the center of the division and periphery semi periphery [1]. To the center include the developed economies such as the U.S., Sweden, Singapore, etc. Topoluperefery include countries with economies in transition; it includes more advanced developing states as Russia, India, China, etc. Periphery world economy includese merging economies (exceptNIS).

The World Economic Forum (WEF) September 4, 2013 published a report on global competitiveness for 2013-2014. Andin the 2013 championship in the ranking keeps Switzerland (1st place in the ranking, unchanged compared with the previous year). The three most competitive countries in the world remain unchanged. This-Switzerland (1), Singapore (2) and Finland(3). In the 10-th most competitive countries of the world dominated by European countries. Also in the 10-keare three Asian countries, including Singapore remains the second most competitive countries and Hong Kong and Japan occupy the seventh and ninthplace, accordingly. This year the United States for the first time in the last four years to improve your ranking, rising by 2 points. Importantly, the top ten countries with high levels of innovation and strong institutional environment [5].

Advantages of the country are flexible and efficient labor market (15) and a stable macroeconomic environment (23), while many countries are not effective in these areas. Major challenges for Kazakhstan are health care and primary education (97), the competitiveness of companies (94), as well as innovation potential (84).

Industrial –innovative challenges of globalization in the highly competitive objectively create uneven socio economic development of the world community. Kazakhstan, originally proclaimed goal of development achievement of the modern model of market economy based on private property, free competition and openness. The program off orced industrialization was tasked to two five-year plan to change the face of the economy of Kazakhstan, to make it independent from fluctuations in world commodity prices. Our model is based on the active role of the state in attracting foreign investment. In economically developed countries, a special place belongs to the investment resources in Kazakhstan according to recent years attracted more than\$ 160 billion of foreign investment [6]. The volume of investment in fixed assets in Kazakhstanin 2013 increased by7.1% compared to the same period last year, the volume of investment in fixed assets in 2013 amounted to 2 trillion 821.6 billiontenge, which is 7.1% more than in 2012.

According to the president of KazakhstanNursultan Nazarbayevat the Astana International Forum of economists. Today, offering to develop the economy of free trade without protection, industrial giants themselves continue to subsidize and protect many of its industries, including high technology. All this destroys industry in developing countries and preserves their poverty. Objective step Russia, Kazakhstan and Belarus in these conditions-to develop their own programs of forced industrialization and the innovative formation of regional integration Union-Customs Union (CU) and the Common Economic Space (CES) for consolidation capabilities and access to the international competitive level. The important pointis to protect the interests of all national economy. In conditions when the country has all the favorable conditions for commodity exporters, guaranteed stability for improper contracts PSA (Production Sharing Agreement) "It is time to radical revision of existing property relations on products of natural resources, formation of economic, institutional mechanisms to ensure fair and equal relations".

It is increasingly clear that the general direction of cooperationa joint production diversification, modernization of the economy. In each country, which became a member of the Customs Union, developed and implemented strategic plans for structural reforms,

industrial and innovative development, food security, improve the efficiency of the agricultural sector. The question is morein-depth study of their content for contumacycoordination. In the context of the urgent need for significant investment of resources for the modernization of important optimally placed, selectthe agreedareas of investment of these funds.

Desire to extracta unilateral benefit individual producers of a country in evitablyharm the integration processes. To go further, to conduct mutually beneficial economic, industrial, agricultural, transport policy, quotas on production, define markets-questions difficult but necessary. In creating production should be possible totake into account thepossible contribution of the host countries.

Given that all three countries are innegotiations to join the WTO, while Russia is joining the organization in 2012. And Kazakhstan has reached the finish line should be in the internalrelations rules and regulations of the organization. And evenin the case of WTO accession one of the countries or all together in-depth integration of national economies can not be removed. Trade-economic cooperation of the three countries where Russia acts as a linkto continue, despite any obstacles.

TU and the subsequent creation of a single economic spacehave a chance to increase the effectiveness of joint activities to streng then the national economy and thus improve the welfare of our peoples. Now it depends on the effectiveness of the established system of interaction, timely solutions to urgentand complex, but necessary tasks.

Kazakhstan as part of the TC is able to regain ground and reach new frontiers. But even this organization unsupported full guarantee sales of products supplied. Demands of a competitive market are stored in full. This particularly applies to new competition within the vehicle. Kazakh companies should consider that promising niches may be retained and expanded in strict compliance with strict rules of the growing rivalry. Customs Union only increases competitive advantage, but not a substitute for competition [2].

One of the main conditions for successful economic development is the formation of a national innovation system (NIS), which should ensure continued growth.

Concept formation NIS has been developed in the early 1980s. Last century. Here the definition of "national" uniquely interpreted as "state" innovation system. Principles of functioning of the NIS are: long-term development, coordination at the state level of interaction of all elements of the NIS; coherence between national,

sectorial and regional development priorities, focusing resources on priority areas, the state partnership with private capital; extract maximum benefit from the globalization of production processes and research, participation NIS in the formation and development of clusters in the economy. Currently in the world, in many countries, national innovation systems are focused on the development of post-industrial society [5].

In this innovation identified as the main factor determining the competitiveness of the national economy. Full use of innovation for further dynamic growth possible in a state of purposeful innovation policy. For the formation of NIS identified 4 major subsystems, where the state, through direct or indirect can effectively implement innovation policies. Strategic directions for the formation of the national innovation system and the implementation of the industrial - innovation policy should include;

- Systematic approach to strategic management development research - innovation and production activities;
- Research and development directions of the fifth and sixth technological order priority bio - and nanotechnology and the creation of biotech industries;
- Formation of innovative high-tech sector and infrastructure of special zones - technological parks and techno, with the development of innovative entrepreneurship based on a network of small and medium-sized high-tech firms;
- Creating an attractive economic environment for investment in high-tech and knowledge-intensive sectors of the economy;
- The development of promising areas mechanical engineering and other high-tech industries, based on licensed technology, joint ventures and direct investment;
- Implementation of the concept of industry cluster development, with the creation of technology clusters [6].

Evaluation of the overalleffectiveness of the NIS and its influence on the development of the country is carried outbased on the following indicators (Table 1).

On the basis of this table, one can conclude that the positive dynamics of financing of scientific - research and experimental design work in Kazakhstan through both public and private funds of foreign investors and venture capital funds.

Table 1:

De	Development IndicatorsNIS					
Nº	indicator	2006	2010	2013	2015	
1	The share of budgetexpenditureson research and development to the total cost of the research and development,%	51,17	70	60	50	
2	The share of foreigninvestment in researchand development to the total cost of the research and development,%	1,5	3	6	12	
3	The number of applications of JSC "National Innovation Fund" to financeinnovative projects in theyear, pt.	118	235	400	900	
4	Share of applications in the JSC "National Innovation Fund" to finance projectsOCD; filedbyuniversities,					
	research institutes, orresearch workers,%	63	50	40	30	
5	Numberoperatedventure fundsinnovative projects in theyear, pt.	11	23	40	90	

Note-Annual reports for 2006-2015. JSC "NationalInnovation Fund" Source. Annual reports, 2006 - 2008-ies. JSC "National Innovation Fund" [4].

## **CONCLUSION**

Thus, the main element of sustainable economic development of the country is the study objectives and sources of innovation, evaluation of current and capital expenditure on innovation. In general, innovative economy generates a peculiar character segmentation of national interests-national circulation of capital, which is integrated into the totality of economic transnational (regional) connecting education, in turn, in a segmented world market - an innovative economy.

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