Management of Regional Economies in Kazakhstan, in Terms of Innovation Development

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Submitted: Sep 27, 2013; Accepted: Oct 31, 2013; Published: Nov 6, 2013

Abstract: The article is devoted to the problems and prospects of development of the regions in the Republic of Kazakhstan. In the article the ranking of the regions of Kazakhstan according to various criteria in order to identify problems. This article was prepared by the project «Management of the regions of the Republic of Kazakhstan in the innovation economy», supported by the Ministry of Education and Science of the Republic of Kazakhstan.

Key words: Region • Management • Innovation potential • Regional policy

INTRODUCTION

Modern trends in world development characterized by the direct influence of technological progress on economic growth and welfare of the population and an innovative way of development of any country, including Kazakhstan, based on the integration into the world market of high-tech products, the success in achieving what the country to concentrate on implementation of their competitive advantage.

In the process of globalization, regions are beginning to be viewed not only as subjects of the national economy, but also as independent participants in the world of competitive processes, in connection with which the task is urgent to study innovation processes in Kazakhstan not only by industry but also by region [1-3]. A key role in the implementation of the competitive advantages of the region gets their innovative potential, which is the foundation for a modern economy based on the use of achievement scientific and technical progress. Thus, a particularly important and necessary is to find such methods of economic management in the region that promote innovation, create high-export potential of small and medium-sized businesses, allow us to find the necessary funds, including to attract domestic and foreign investment for the development of available natural resources, infrastructure, communications and information [4-6].

On time spent monitoring the innovation potential of the region, with its subsequent evaluation can be the basis for identifying points of growth, the timely detection of adverse trends, determining the optimal balance of traditional and new trends and their adjustments. The monitoring results are also needed for management decisions at the national level in the development strategy regional development. In connection with this very relevant is to develop an algorithm for monitoring and evaluation of innovative potential of the region, evaluation techniques of innovative potential of the region, which determined the choice of the theme of this work [7-9].

The main aim is to develop tools for monitoring and evaluation of innovative potential of the region for analysis of innovation potential of the regions of Kazakhstan and identify strategic trends on its development.

Achieving this goal has necessitated the following tasks:

- Expand the concept of "innovation potential of the region".
- Develop an algorithm for monitoring and evaluation of innovative potential of the region.
- Develop a methodology for integrated assessment of the innovation potential of the region.
- Identify the strategic guidelines for the development of innovative capacity of the region, on the basis of their offer logic innovational formulation and implementation of strategies in the region.
The object of study is the innovation potential of the regions of Kazakhstan.

The subject of the study is administrative matter arising in the process of formation and development of innovative potential of the region.

**Main Part:** The central place in the assessment of the innovation potential of the region is the definition of a system of indicators. On stage, the selection of indicators based on the developed requirements to the scorecard proposed 13 indicators to assess the resource part of the innovation potential of the region, 5 indicators for the assessment of its effective part 5 indicators to assess the readiness of the unit to the use of innovative potential of the region (Table 1).

Region is a certain part of the country, with the possible restriction on economic parameters (economic regions), according to the administrative - territorial division (edge, region, district, city, on the development of special (free trade zones) [1, 2, 10].

According to the author, government regulation of business innovation should not suppress the self-regulating market processes that prevent the implementation of the requirements of economic efficiency [11]. The author suggests a mechanism of state regulation of innovation in market conditions. An important role in this mechanism should play indirect control methods, which, along with the direct methods should be of paramount importance in the government of scientific and technological sphere and in particular, to attract private investment in innovation. As for the different sectors should apply its science and technology policy and its own set of indirect regulatory instruments [12].

Chief among them must be a progressive form of tax, financial, credit, depreciation policy and pricing.

For some companies the vector of development is the increase in the cost of the expansion of innovation, creating the conditions for entering new markets in order to increase future revenues and profits. In these circumstances, there is need for greater government support in the form of co-funding and infrastructural support promising projects, organizations obtain credit on favorable terms, etc. For others - reducing costs to increase profits within the limited or lack of growth in total revenue, the nature of the tax measures, improve the environment depreciation of property, provision of

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<th>Group</th>
<th>Indicators</th>
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<td>Scientific Resources</td>
<td>The share of the number of personnel engaged in research and development in the number of employed in the economy, %.</td>
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compensation for various costs, protect the market from imports, reducing demands on social obligations. At the same time measures of state regulation (including at the level of regional authorities) to work with both the first and the second group of companies must comply with the selected long-term development priorities [12]. According to the author, to reduce funding for research and development in any case impossible. By the time of the crisis in the country should be a "critical mass" of innovative high-tech willing to invest and the further introduction into production. The entire complex is a state-level initiatives should contribute to the revival of high-tech industries and strengthen their position in both domestic and foreign markets. The result should be an increase in overall economic activity of industrial enterprises, improve the investment climate and socio-economic situation in the country. The above measures of state regulation would facilitate a gradual transition to a more efficient form of interaction between government, business and science, where most costly part of the R & D funded by big business and the state rests funding of basic research.

Innovative solutions at the regional level should affect the economic interests of many participants and enhance their competitiveness in foreign markets. The main problem in this task indicated a lack of adequate monitoring of the innovation sphere, due to the imperfection of the state statistical systems of innovation development in the region, which currently does not provide a systematic assessment of innovative potential, the formation of regional innovation infrastructure, assessing the impact of the environment on the development of innovative new institutions and mechanisms of interaction between government and business in the field of innovation. In this connection, the authors developed a technique that overcomes this contradiction and allows estimating the relationship of innovation activity and the level of socio-economic development of the region. This technique is a component of the mechanism of self-esteem level of socio-economic development of the region. This technique is a component of the mechanism of self-esteem level of socio-economic development of the region and takes into account the state of the regional market, the specifics of the region, which identifies sustainable development trends and upgrades. It is proposed to assess the socio-economic development of the region, based on categories technological analysis. This is due to the need to identify the most important elements of the functioning of the regional economic system, determining its competitiveness. Reproduction model of governance adopted a presumption that the regional economy will be competitive if it has a balanced structure, which could result in the possibility of increasing innovation activity of business structures and the development of the value of human capital. The basis of the new paradigm of regional development is to create an innovative economy based on innovative manufacturing organization as a result of the implementation of high technology and infrastructure support of the innovation cycle. Strategic management of development in the region should include the priorities, focused on long-term and short-term.

In our view, the solution to this problem is possible through the development of innovative development model, presented as a component of the innovation system as a mechanism, including the dynamics of the development of regional economy targets based on the results of innovation.

Model input parameters in the so-called "black box" (the area of innovation development) can be sources of the region forming its potential: the raw, human, financial, etc. (x1, x2... xn). The resulting innovation indicators (y1, y2... yn) are determined by the parameters of the target, reflecting both indicators at the regional level as well as system containing a degree of self-organization.

The impact of innovation is evaluated through a system of indicators of the region, among them: technological degree of stability, the level of high-tech products, the growth of intangible assets, the development of high-tech types of services, the current level of competitiveness, the development of special education in training of specialists in the field of innovation, etc.

CONCLUSIONS

Thus, in order to solve the problem with low innovation assets in the region should consider the following recommendations:

- According to the experience of the United States, Japan and other countries in the management of innovation to achieve balanced and coordination of activities between the authorities is necessary that each of them had their own legal, political and financial powers. However, the governorates of regions should be more active in innovation, so it is best they are aware of the needs of their region. It is necessary that the various initiatives in the areas of innovation later grew into the Republican program. In
this regard, the regions should play the role of an experimental and teaching role in innovation policy.

- Need to develop inter-regional competition in getting budgetary funding, which will result in the development of innovative capacity occur regions. Due to the prevailing disparities in the level of innovative development of regions need to develop differentiated principles of regional innovation policies based on their features.

- To carry out the identification of missing or weak elements of the regional innovation system through the development of regulations interaction of its elements;

- Maximize the potential of socio -entrepreneurial corporations to bring into the territory of the region as residents of technology parks and industrial parks of national and international companies that can accelerate the technological transformation of enterprises in the region. This requires further analysis of the effectiveness of their work to test and develop effective support mechanisms.

- The implementation of regular monitoring of the effectiveness of measures implemented to support innovation development, in order to carry out the necessary corrective measures and the performance of all elements of the innovation system, first of all the development institutions;

- There is a need to develop a special program to support regional research, including by obtaining practical knowledge and professional development in the commercialization centers, enterprises, universities, training in foreign research institutions and factories the world's leading manufacturers of participation in international scientific conferences;

- Enhance information supporting the development of innovation in the regions, sectors and national companies in order to enhance the prestige and attractiveness of innovation. Establish a database of technological and organizational innovation in their respective fields, the creation of the necessary resources for online publication and discussion;

- An important element in enhancing innovation in the future is to ensure the promotion of innovative entrepreneurship in the media, the creation of a community atmosphere of «tolerance» for risk. Creating a modern exhibition centers, clubs and training centers in different areas of science and high technology, distribution of publications and materials of popular science books and journals, the promotion of public interest and in particular children and young people to innovate.

The expected outcomes of the strategic guidelines for the development of innovative capacity (for example, in Almaty) are:

- The emergence of the region's major new investors and create jobs.
- Increase innovation activity in the region.
- Increasing the number of created and used advanced production technology.
- Increasing the share of production in the volume of innovation products.
- Additional budget revenues Almaty.

The authors suggest that, based on the developed algorithm for monitoring and evaluation of innovative potential of the region of Kazakhstan, identified strategic guidelines for its development in each region should be developed (adjusted) own innovation strategy based on this situation in the region by logic scheme.

Thus, to improve the innovation activity of taxpayers in the Republic of Kazakhstan, in our opinion, it is necessary:

1. For organizations that create innovation:

- Extend the application of the reduced rate of tax on profits for taxpayers engaged in research and development, not only for the electrical and lighting industry, but for others that are of priority importance for the implementation of the Strategy of Development of Kazakhstan up to 2050 activities;
- To introduce a category of taxpayers engaged in research and development, one of applying a reduced rate under the simplified system of taxation with the object of «income minus expenses»;
- Provide organizations that received the status of innovation, exemption from property tax in respect of property used for scientific (research) activities, regardless of the source of funding;
2. For organizations that deploy the innovation:

- To apply a reduced rate of income tax for organizations engaged in the implementation of the results of intellectual activity, regardless of whether it is a business entity whose founders are higher education institutions that are low cost or no educational institutions. In the application of the special status of an innovative organization in the list of subjects to be included a much larger numbers of organizations that meet the established criteria;
- Provide organizations that received the status of innovation, exemption from property tax in respect of property used in the practical application (implementation) of the results of intellectual activity;
- To provide for a reduced rate when applying the simplified taxation system for organizations those have received the status of innovation;

3. For organizations that are consumers of innovation:

- To provide for organizations who use innovation, a reduced rate of income tax;
- To provide for organizations who use innovation, reduced rate when applying the simplified taxation system;
- Provide organizations that received the status of innovation (including consumer innovation), exemption from property tax in respect of property used in the consumption of product innovation.

REFERENCES