

On priority measures for creating the basis for the development of the Russian economy

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Abstract. A sustainable and reliable industrial framework within the economy is a key factor in ensuring its long-term growth. Scientists and practitioners increasingly admit that society cannot do without its own industrial sector, which meets the challenges of the modern ages. With this in mind, in this article the author conducts an analysis of the situation in Russia and points to a lack of control over business activity within capital-intensive industries. The author notes the essential role of the construction complex and its sustainability amid various financial crises and a decline in the liquidity of non-material assets. Gaining in topicality is the issue of control over the business activity of the construction sector with a view to achieving the maximization of economic interests, while there is the need for creating long-term internal sources of growth.

[Silka D.N. **On priority measures for creating the basis for the development of the Russian economy.** *Life Sci J* 2014;11(7s):310-313] (ISSN:1097-8135). <http://www.lifesciencesite.com>. 65

Keywords: industrialization, crisis, construction, finance, cycles of business activity, economic cycles, economic interests

Introduction

Currently, developed and developing countries alike are looking for new growth targets. In this regard, famous scientist in the area of issues of economic development and economic cycles Carlota Perez [1, 2] notes the following. Analysis of industrial revolutions and processes of the recent past indicates that the present-day situation is not singular and in many aspects reminds us of the 30s of the 20th century. We are talking about the global recession, the burst of the financial speculative bubble, the need for radical transformation of markets and institutes, etc. Just like in past periods, right now the utmost importance is attached to industrial capital, which should supplant financial capital in terms of strategic targets, and active government policy capable of temporarily gaining the market initiative. In this respect, new industrialization becomes a priority dimension to development for the national economy. Note that amid the growth crisis such targets as creating a post-industrial type society are ceasing to play a dominant role both in Russia itself and a number of other developed countries (the US, EU states) and developing countries [2]. Experts admit that only focusing attention on industrial policy can create the basis for sustainable development in the global economy. For the Russian economy, where industry and many sectors are quite degraded, the topicality of new industrialization is really high and its activation is the only option. In this regard, examining priority measures for creating the basis for the development of the Russian economy through activating capital-intensive industries defines the novelty of this article.

Main part

The Ministry of the Economic Development of the Russian Federation predicts [3] that GDP growth will not exceed 3.0 % in 2014, 3.1 % in 2015, and 3.3 % in 2016. This means that the ways of overcoming emerging challenges to development are in the initial stage of being conceptualized. On one hand, the current bolstering of Russia's geopolitical positions and boosted self-reliance in making political decisions, successful implementation of infrastructural megaprojects in Olympic Sochi and development of even larger programs across the incorporated territories of the South, and other achievements across specific regions testify to the existence of economic resources and the political will to actively develop the national economy. On the other hand, the RF government's work on issues relating to the use of funds from the Fund for National Well-Being to implement federal-level infrastructural projects, serious beefing up of the administrative resource to overcome the degradation of the housing and utility sector, active involvement of federal lands in economic turnover, and other development programs and projects indicate that even larger-scale objectives are being set before the country, which warrant a different approach to resolving them and are not comparable in complexity with what was implemented before.

Our understanding that post-industrial society cannot do without a developed industrial sector and modern material-intensive industries, makes the focusing of attention on the part of scientists and practitioners on the issue of the development of infrastructure and various sectors of

material production a really important consideration strategically [4, 5, 6]. However, allocation of a great amount of resources for implementing specific capital-intensive projects in achieving meso-level results does not, on the whole, lead to implementing large-scale and system-wide measures across the country. The government's administrative and organizational resources are directed at an outstripping rate towards the resource support of development programs where corresponding needs grow faster than working out new managerial concepts is actualized and carried out. Thus, as a matter of fact, approaches to ensuring economic development are predicated on organizing control, which has clear-cut resource limits and potential. Note that, as a result, satisfying the economic interests of certain business entities and ignoring those of others leads, in essence, to an inevitable conflict of these interests and eventually provides a rationale for low dynamics of economic growth.

Thus, when defining the problematics of the modern development of the national economy in terms of approaches to management and the existing model of development, it is apparent that it is modern principles of choice of the priority of a controlled object that do not meet the challenges of the present. Orientation towards resolving large-scale yet local objectives does not presuppose measures on activating business activity in the direction from the macro-level to the meso- and on to the micro-level. But it is the basis of creating preconditions for boosting business activity in the areas of material production, where a crucial role is played by investment-construction activity, that is made up of the principle of boosting the level of satisfying economic needs and interests governing fundamental factors in economic growth in the country.

Hence, the growing topicality of the issue of carrying out modernization at the country's highest expert level and, in particular, defining the country's capital funds as the object of modernization quite accurately underscores the aspiration of the Russian scientific and political elite to ensure at a whole new level boosting the satisfaction of society's economic interests and, what is of utmost importance, create a certain scale for corresponding processes. For the bulk of capital funds is made up of capital construction facilities, which remain both a key factor in providing for the sustainment of citizens and the framework of the national economy, its sectors and spheres of activity. And boosting business activity in the area of the construction complex clearly encompasses economic interests, which can be easily reflected in all the levels of the economy – the micro-, meso-, and macro-level. Construction, in this respect, is an unprecedentedly large-scale and

significant sphere of activity for the Russian economy.

Nonetheless, considering the above system-wide limitations in the development of the national economy, it does not appear possible to actualize the aspirations towards substantially boosting the level of satisfying economic interests in the frame of the existing model of development. In this regard, the sought-after activation of business activity warrants reconsidering state priorities and principles of activity. There is a need for focusing attention and efforts on a new controlled object maximally oriented towards the problematics of modern development. In terms of possibilities of influencing concurrently the country's micro-, meso-, and macro-level, business activity itself works the best as such a controlled object. Given its inconsistent nature, there arises the need for making the very cycle of business activity a controlled object as a fundamental priority. Organizing and ensuring control over the business activity cycle is, in turn, the basis of the new industrialization of the Russian economy.

It should be noted that ensuring control over economic dynamics and economic cycles has been worked out scientifically at quite a high level by now. Foundational works on this area were created back in the late 19th and the early 20th centuries [7, 8, 9]. Nevertheless, the most complex issue that remained and still remains to this day is the identification of links between cycles of different levels and determination of driving forces for cycles [10]. In terms of issues of technological development over the last decades, one of the first researchers to develop a theory explaining the absolute impossibility of repeating an economic cycle in its previous form was academician S. Glazyev [4], who nonetheless managed to unify factors and illustrate a vector space of forward-looking development in a succession of economic cycles. In respect of industrially significant factors, he introduced the concept of the technological set-up. Studies conducted in this area helped reveal the characteristics of a micro-, meso-, and macro-level economic cycle in conjunction with the identification of a general trend at the macro-level. The attainment of specific technological set-ups by various countries demonstrates the achieved development level of the technical and technological instrumentation of business entities and the economy as a whole per each specific instant of time, future prospects, and growth limits. Nonetheless, modern scientific knowledge and achievements in the area of economic cycles do not let one identify and explain in a timely fashion the characteristics and weaknesses of economic instrumentation specifically, which is capable of providing for economic growth just up until a certain limit in time.

On the whole, numerous foreign and fundamental studies have been dedicated to the theory and practice of managing economic cycles. Many scientific works have been dedicated, in turn, to issues of economic growth in investment-construction activity as well. Having said that, there is an area of unresolved objectives among macro- and meso-level scientific works. Practice shows that studies in the area of the development of the investment-construction complex are not integrated into the system of resolving objectives relating to managing the macro-level economic cycle. However, defining the business activity cycle as a controlled object to achieve macro-level goals, on one hand, for objective reasons lets one attain unprecedentedly large-scale and major results and, on the other hand, is effectively actualized through an aggregate of systemic measures. For in the process of the development of the economy, the construction complex plays a fundamental role and remains, due to its material-intensiveness really resistant to the cycle's fluctuations. In this regard, in periods of economic slump and crises, localizing financial risks, which takes place along the path of transforming financial assets into material form on the market of construction products, works, and services, remains the most reliable way to overcome economic instability. And since construction is, nonetheless, subject to the impact of economic cycles, control over the business activity cycle is admitted to be a way to, first of all, help establish fundamental factors of growth for the macro-level cycle and, second of all, ensure the sustainability of the activity sphere itself also to create a relevant level of sustainability of the fundamental factors in the economic cycle in the country.

Conclusion

Our examination of specific issues and solutions to them lets us note that the build-up of disproportions in satisfying the economic interests of economic agents and, as a consequence, the deepening of crisis trends in the national economy is associated with the fact that there is no controlled object in the form of business activity. It is activating control over business activity that helps create the basis for the development of the Russian economy amid its present-day crisis state. Note that organizing such control is associated with the following considerations, which should be taken into account and developed further.

1. Government participation in capital-intensive sectors of the national economy, which play a decisive role in ensuring the country's development, is effected based on the priority principles of redistributing available resources. In this

regard, there is a need for creating conditions for the search for and application of self-supporting mechanisms for activating business activity, which governs boosting the balance level of satisfying economic interests.

2. Activating business activity is grounded in ensuring control over the business activity cycle, where this cycle is defined as a controlled object. Business activity across the country deals with the macro-, meso-, and micro-level – therefore, it is on the basis of control over the business activity cycle that one attains the synchronization of economic interests and maximization of the results of corresponding control.

3. Selecting and fine-tuning the controlled object in the form of the cycle of business activity in construction is in line with objectives of developing capital funds in the national economy and carrying out new industrialization. This tenet is substantiated by that the sector covers an unprecedentedly wide range of interests and needs. Due to its material character, it possesses a high level of autonomy and sustainability in the event of fluctuations of economic cycles of different levels. It contains starting mechanisms in respect of other sectors of the economy.

Inferences

The above analysis demonstrates system-wide limitations in the development of the Russian economy. At the same time, scientific analysis helps identify a way out of the existing situation. Defining investment-construction activity as the most important sector, a growth driver, seems an extremely vital solution at the present time. Note that marking out the controlled object in the form of a business activity cycle helps coordinate the economic interests of a great many participants in market relations and come up with growth factors that really match the modern trends of the new wave of industrialization across the globe and facilitate boosting the level of stability and, consequently, efficiency of the new, industrially-oriented, model for the development of the Russian economy.

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5/8/2014