# Journal of Internet Banking and Commerce

*An open access Internet journal (http://www.icommercecentral.com)*

*Journal of Internet Banking and Commerce, July 2016, vol. 21, no. S4*

***Special Issue: Government and Business Regulation: Regional and Sector Characteristics***
***Edited By: Mihail N. Dudin***


# Public and Business Regulation as the Basis of Self-Organization and Evolution of the National Innovation System


**MIKHAIL NIKOLAEVICH DUDIN***

**Doctor of Economics, Professor of Senior Research Associate of the laboratory "Strategic management of development of the national economy", the Russian Presidential Academy of National Economy and Public Administration, 82/1, prospect Vernadskogo, Moscow, 119571, Russian Federation, Tel: 74712504820;**

*Email*: **dudinmn@mail.ru**



Keywords: **Business; Self-Organization; National Innovation System**



© Mikhail Nikolaevich Dudin, 2016



The whole of the XX century and the first decade of the XXI century have revealed a lot of significant events to the international history, which not only exposed but also extremely exacerbated the problems describing the state of the public and business regulation at the national and regional levels. Their solution will require a search for compromise and the effort of many generations of the citizens of the world community.

Created in the era of the bipolar world, government and intergovernmental mechanisms to ensure economic security have been operating in a fundamentally new system of coordinates since the XXI century. Military conflicts in the Middle East clearly show how old system of national welfare and security development transforms under the pressure of changing the balance of forces on the world stage and within the states of the international community.

The systemic nature of threats necessitates the development of a new conceptual framework of government policy and the implementation of managerial decisions aimed at sustainable development of the national well-being and security of countries in the new environment. These problems are the main driving force behind the development of society and the real cause of social activity of the people, they encourage reforms in the society, the state and the whole world.

It is obvious that an adequate response to modern challenges and threats is impossible without understanding the root causes of the current global society problems and without identifying the priority objectives of the development of civilization. This was clearly demonstrated by the global financial crisis, which hit even stronger economies like a wracking ball.

The above and the analysis of the entire spectrum of today's risks and threats, along with an assessment of national economic development priorities, justify the conclusion that the most important condition for sustainable progressive development of the society and the state is the economic security as a national security basis, which ensures an appropriate level of effective development in the social and political areas. In today's world, where all the events and processes are closely interrelated, the interaction between business and state is an indispensable condition for the effective development of national economies. This interaction is observed in a variety of directions and determines the state of competition in the markets and industries.

The state is currently not only an observer and legislator, but also an active agent that has a direct impact on the activities and functioning of certain economic areas. In the first place, the government seeks to participate in the development of the sectors of the economy that are strategically important for it, which traditionally are:

- Fuel and energy complex;
- Military and industrial complex;
- Space industry.

At the same time, there is an understanding at the state level that the direct participation of the state, as well as substantial budget investments in the development of strategically important industries and sectors of the economy may not always be effective. Therefore, the government is becoming more and more interested in the creation of the best possible corporate environment, effective corporate governance and the formation of the corporate social responsibility. In turn, it is important to business

that the socio-economic policy of the state does not lead to crises (systemic or local) and at the same time encourages the qualitative development of the labor potential of the population.

The state, business and science are three key partners that can ensure the creation of conditions in which the well-being of nations and peoples will continue to increase. The growth of national welfare will form the prerequisites for consistently peaceful interaction between countries in the global economic and social exchange.

I think that despite the crises and confrontations inherent in the current stage of the civilization development, it can be seen as a qualitative transition from the old to the new world order. In the future, the existing contradictions between the countries at the state level will be removed, which means that business will be focused on the development of cooperation. This would greatly contribute to the consolidation of the interests of individual countries and states.

I express hope that readers will be interested in the articles published in this issue of the journal and will be able to use the research findings in their work or studies.