

Balance Between Business and Government in Purpose of Ensuring Economic Security to Innovation Development

Maria Suraeva

Department of Management

Samara State University of Economics

Samara, Russia

marusyasuraeva@mail.ru

Abstract—In this article, digital platforms are viewed as the leading instrument for digitalizing the economy. The role of business and the state in ensuring the effective functioning of the economic sector by creating innovative products and systems is shown. The features of the digital environment that contribute to the successful development and timely implementation of innovative products are identified. The role of the digital platform in terms of solving modern problems in the field of national interests and the global market is described. The definition of digitalization is given and its role in modern business is revealed. Effective data management has been proven to be the key to a successful business process. The features of the digital economy are considered: the degree of provision of the company with intellectual assets, the organizational structure based on the network, the Internet of things as the basis of the foundations in business, the particular importance of data storage in the business sector. It was found that China and the United States are at the forefront of the digital environment, with over 75% of their funding and 90% of the market value of the 70 largest platforms in the world. It is shown what is the role of the state in the field of cyber security.

Keywords—digital platform, digitalization, government, business, innovation, economic security.

I. INTRODUCTION

Digital technologies today are the engine and the main locomotive of the effective functioning of the economy and business in general. The digital space is being complemented by new innovative products that interact with various online structures and act as a link between the parties to the market. Companies are forced to quickly adapt to changes in the overall global digitalization and predict all possible threats and challenges from the digital world. At the same time, the creation of a favorable "ecosystem" and ensuring the safety of the participants in the process falls on the shoulders of the state, which is also interested in the development of global digital platforms and participates in the struggle for international leadership in the market. So how does business and government function successfully in the era of global digitalization?

Digitalization is the transition of business to a digital form, within which a technological environment is formed, aimed at the efficient use of business resources, at improving the

quality of life of the population and at solving production problems. Interposes data integration takes place, a flexible corporate culture and predictive control of production processes are created [1]. And effective data management is a key guarantee of successful business entities and a decisive advantage in the competition. Two parties are interested in this process: business and government, on the close and successful interaction of which depends on the rapid construction of a digital infrastructure with the maximum possible provision of economic security [2].

II. METHODOLOGY

The author considered digital platforms as a locomotive to ensure the competitiveness of the country and business. The features of the digital economy were analyzed, which helps in assessing the economic potential and the degree of protection from the authorities. The degree of cooperation between government and business was assessed and recommendations were given for successful mutually beneficial cooperation [10].

To solve this problem, operating large companies were studied, a summary of data on the effectiveness of their activities was evaluated, and the "thinking paradigm" was analyzed from the point of view of the economic security of databases. The world rankings have been revised to assess the impact of digital platforms on business-government cooperation.

III. RESULTS AND DISCUSSION

In order to correctly implement digital platforms in the life of society, it is necessary to take into account the peculiarities of the digital economy: [3]

1. Provision of the company with intellectual assets

The priority today is given to businesses with a significant amount of intellectual resources. These are companies that are digital platforms with no physical assets and whose share of capitalization is higher than that of industrial giants.

2. Increasing the importance of data in the economic sector

Most of the operations of economic activity are supported by cloud technology, which saves on services and time. They allow you to reduce the cost of creating and maintaining

digital infrastructure. The speed of service delivery is increasing, and services are becoming more flexible. But it is important not to forget about ensuring their safety, and here the state plays an essential role.

3. The organizational structure is based on a network

The networking of business participants leads to innovative idea generation, to which various experts are connected online. The boundaries between departments are blurred, and many tasks are outsourced, which reduces the cost of production costs, and leads to high business efficiency. Therefore, industrial policy is aimed at developing network structures.

4. Internet - "the basis of all foundations"

Today the Internet unites business, government and the population. It is a connecting thread between all participants in the economic process. The Internet is a necessity, a resource that promotes monetization and a fast communication process.

5. The global nature of data exchange

The functioning of a business is often not limited to the local market and enters the global space. Economic agents without access to the global network are always inferior in competition [9].

6. The main approach to management is self-organization

Network structures are successfully created in an economy based on globalization and decentralization [8]. Bureaucratic structures, in turn, are moving into flexible work formats.

The digital economy is based on digital platforms that drive economic growth. This is a complex information system that ensures the performance of the functions of interconnection between market participants, an open format for customers and partners. It is a hardware and application integrator. Platforms allow you to structure solutions for industry problems and competently organize the interactions of all ecosystem participants [4].

According to research by PricewaterhouseCoopers, the market capitalization of the top 100 companies in the world in 2019 exceeded \$ 21 trillion. The indicator increased by 5%. For example, Microsoft's capitalization was \$ 905 billion. That is, at the forefront are companies that have managed to build an ecosystem that anyone can access if they wish. Moreover, all services are actively adapted to the needs of society in an accessible and convenient format. All this is impossible without creating platforms.

There is a classification of digital platforms that was presented at the UN conference:

- Operating platforms - multilateral markets with infrastructure (Amazon, Alibaba);
- Innovative platforms - an environment in which IT creates codes and content in the form of applications and software (Android, MPEG).

Important aspects of creating a digital platform are:

- Structure;
- Classification;
- Technology;

- Life cycle;
- Benefits and risks;
- Monetization.

They are completely dependent on strategy, competencies, transactions, IT and business model. All these become the basis for the formation of an ecosystem that is built on network partnerships, cross-border, security, global competition, dynamics of growth and integration.

A business, occupying its own "niche", begins to monetize at the expense of low costs for an advertising campaign. He invests in platforms that attract investment and win the consumer. The chain of market conquest is as follows: "search for a consumer in the region - in the neighboring regions - throughout the country - then export". In this case, the lack of an appropriate regulatory and legal framework becomes a scaling problem. The way out of this situation is seen: the creation of projects within the framework of public-private partnerships or the transformation of "regulators" into more favorable conditions for business.

IV. CONCLUSIONS

China and the United States are at the forefront of the digital environment, with over 75% of patents in the blockchain, 50% of the Internet of Things market, 90% of the market value of the 70 largest platforms in the world. It is important to note that global platforms are constantly expanding their spheres of influence. Thus, Microsoft bought LinkedIn and Nokia. Business pays special attention to the field of R&D and concludes contracts with "leaders" - companies in the traditional sector of the economy. The platform opens up new opportunities for increasing added value and improves the quality of goods and services.

In this context, the role of the state, which deals with the issue of ensuring cybersecurity, is increasing. The power is focused on sponsoring research and development in technology and platforms. First of all, SMEs are supported, as well as start-ups and entrepreneurship. They are the ones who integrate innovations into the digital environment and accumulate innovations in the form of ready-made software products. They form the basis and are the transfer of technology and digital transformation. And to speed up this process, private-public co-financing mechanisms are used. The state stimulates by providing tax incentives and by simplifying public procurement of digital platforms [5].

In recent years, the paradigm of thinking in the field of information security has changed. The growing demand for highly intelligent protection equipment is increasing. These are systems of the class security information and event management (SIEM), network traffic analysis (NTA), complex antiAPT solutions. There is a transformation "ability to detect", because the amount of losses depends on how quickly an attack and threat are detected. The state in the next year set a course for the elaboration of laws, in which ambiguous terms and wording will be clarified and corrected. Shifts in this area are already being observed: from January 1, 2020, financial institutions must use software that has either a FSTEC certificate or a certificate of passing a vulnerability analysis.

"The Digital Economy 2024" program in Russia provides for the creation of domestic platforms in every sector of the economy. Successful operation is possible with the

introduction of at least 10 such "sites" for subject areas. This is achieved through targeted programs and grants. But not all platforms in practice are created with direct support, as the world experience shows. State aid will only strengthen and significantly speed up the process of testing such platforms [6]. How can this be achieved?

On the part of the state, provide access to the necessary data from the lists, registers (for example, interaction with the SMEV or the NSUD). By creating preferential terms and rates, as well as "preferential sandboxes," because the price of transaction costs is quite high. Through the development of a regulatory and legal framework, where there will be access for all market participants, mechanisms for resolving disputes and providing state guarantees through this platform have been thought out. In approximately 5 years, almost all Russian business will switch to large digital platforms oriented to the global market, not limited only by national interests. But for this, it is necessary to develop uniform rules of the game, otherwise only Western cases will be introduced and control over the economic situation will be reduced.

Thus, the digital platform is the driving force and engine of progress. This is not "know-how", but the need for the successful functioning of business, which, in close cooperation with the authorities, is able to solve the global problems of our time, covering all sectors [7]. The development of artificial intelligence gives rise to a large number of cyber threats, which are regulated by the state. The speed of implementation of developments and the innovative provision of resources that will allow companies to become more competitive in the international arena and enter new

sales markets depend on the competent construction of interaction between business and the state.

REFERENCES

- [1] F. Golt, "User innovation in the digital economy", *Foresight*, 2019, pp. 6-12.
- [2] A. Irmazarow, and D.K. Allen, "Practice, information and the development of a digital platform", 2019, DOI: 10.1002/prat.101
- [3] R.V. Kamanina, "Digital innovations are the most important lever for solving the economic problems of Russia in the present and the future", *Economy of knowledge: theory and practice*, no. 4, 2017, pp. 64 - 72.
- [4] V.G. Khalin, and G.V. Chernova, "Digitalization and its impact on the Russian economy and society: advantages, challenges, threats and risks", *Management Consulting*, 2018, pp. 46 - 63.
- [5] L.A. Mylnikova, "Innovation and digitalization of the Russian economy", *Economics and Business*, 2019, pp. 107 - 115.
- [6] S. Sedkaoui, and M. Khelfaoui, "Digital Platforms and the Sharing Mechanism", *Sharing Economy and Big Data Analytics*, 2020, DOI: 10.1002/9781119695035.ch4
- [7] B. Simis, "State and drivers of the information security market", *Positive Technologies*, 2020, pp. 4-23.
- [8] Innovative development of economic systems in the context of globalization, collective international monograph, ed. by E.N. Kamyschenko, Yu. L. Rastopchina, Belgorod: Publishing House "Belgorod" of NRU "BelGU", 2014, 380 p.
- [9] S.N. Glagolev, and O.V. Vaganova, "Finansovyi mekhanizm obespecheniya innovatsionnogo protsessa" [The financial mechanism for ensuring the innovation process], *World Applied Sciences Journal*, vol. 25, no. 12, 2013, pp. 1729–1734.
- [10] O.V. Vaganova, and G.N. Likhosherstova, "Structuring the economy with the account of innovative activities in the Russian regions", *Russian entrepreneurship*, no. 4, iss. 2 (182), 2011, pp. 36–39.