

## **ON THE CONCEPT OF REINDUSTRIALIZATION DOMESTIC MARKET ECONOMY**

**Kornev A.K.**

Institute of Economic Forecasting of the Russian Academy of Sciences, Russia, 117418, Moscow, Nakhimovsky prospect, d. 47. Tel .: (499) 129-10-22, fax (495) 718-97-71, E-mail: alkonstkornev@yandex.ru

The de-industrialization of the economy occurs during the post-Soviet period. It is the result of degradation of the manufacturing and engineering investment, reduced the profitability of their enterprises, bankruptcy and liquidation of many of them. It has developed a model, based on mining exports and imports of manufactured goods. Within the framework of this model can not be solved the problems of socio-economic development, improvement of living standards. Reduction of industrial experience, reducing the number of skilled workers, aging backlog Soviet period represent a serious threat to the military-industrial complex in the long term.

The concept of re-industrialization of the market economy should include consideration of a number of critical issues. In cold climates of our country manufacturing industries are not competitive, they need additional compensation expenses in the form of grants. The industrialization of the economy in the Soviet period, was produced using the low prices for the products of the extractive industries as a means of redistribution of the natural rent in favor of the manufacturing enterprises in the quality of their subsidies. Taxation of the manufacturing sector was carried out as a turnover tax. In the post-Soviet period, the rise in prices for the products of mining companies is the result of established open economy. Permission for the taxation of extractive industries and subsidies in the form of financial processing. It has an extremely poor performance in relation to the amount of subsidies. It should be subsidizing the manufacturing sector with low prices for the products of the extractive industries, and therefore, the creation of several dozen private vertically integrated cross-industry corporations, similar to the TNC, but using domestic resources. In Vimkom as in the TNC, you must apply the redistributive processes and non-market prices. In creating Vimkom need to use public-private partnerships. So entrepreneurs need to use modern methods to reduce the cost of production as a result of their placement and the use of relatively cheap labor force, and a new state authority should develop a sequence of creating Vimkom, specify the production and processing chain to provide financial input end manufacturing industries, to participate in the work of the Board of Directors.