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CURRENT INNOVATIVE ACTIVITY IN CHINA

In times of recession in the world economy, ideas, innovations, are potentials that should be adopted to develop a perfect market economy. China is utilizing its innovative initiative and knowledge in the science and technology to improve its export trade; and also utilizing its large man power to work out modalities and improve its economy.

China innovative idea has resulted in improvement of living standards of the majority Chinese citizens. It has also helped their social amenities improvement ranging from roads and highway development, air transportation, shipping, power, communication, manufacturing, etc.

In the manufacturing sector, main manufactured products in china include cement, rolled steel, chemical fertilizer, paper and paperboard, sulfuric acid, sugar, cotton yarn, cotton fabrics, cigarettes, television sets, and washing machines. Generally, the Chinese industrial structure has a higher level of manufacturing although it is far from high manufacturing in terms of productivity.

Compared with the United States and other developed countries, the horizontal industrial expansion with low levels of manufacturing causes low-level malignant competition in the domestic manufacturing sector. The same effects can be found in high-level consumption of energy and raw materials. For this reason inflated demands bring about a large increase of sectors with low technology content and delay upgrade of industrial structures.

When talking about policy implementation we have to put in consideration various institutions and programs associated with this policy implementation, they include:

1) Chinese academy of science 2) national natural science education of china 3) R&D program involving human resources development 4) torch programs used in promoting science and technology and so on.

Chinese Innovation Policy Framework

Financial policy: financial policy includes: current S&T programs comprising of grants, loans, interest and subsidiaries, etc.

Business Innovation support structure: Business innovation support structure involves science part and incubators, China high-tech fair

Human resources policy: human resources policy comprises of education development policy for basic education, 211 projects for higher education, and ministry of education human resources programs

Legislative actions: legislative action involves S&T legislation, education legislation, etc.

Extraordinary Measures taking by the Chinese government for effective policy implementation:

- Tax preference policy and FDI
- Venture capital and stock market

-Chinese central government continuously implementations take advantage and deduction policies targeted towards foreign investors, but shift forces of preference fiscal policy from low-tech and labor intensive industries to high tech manufacturing and services sectors



Fig.1 “Thunder God Vine” Shows Promising Results Against Pancreatic Cancer

As seen, these policies have actually helped the Chinese government to concentrate on innovation especially in the science and technology department which in turn has helped in the exportation of commodities in china using the production of the latest extra slim I phone superseding the current iPhone 5 by apple, Chinese government as seen do not only concentrate mainly on technology production but in traditional medicine such as “Thunder God Vine”, a staple of traditional Chinese medicine, has proven to be remarkably effective in destroying pancreatic cancer tumors in lab mice. Researchers at the University of Minnesota’s Masonic Cancer Center state have taken necessary step in beginning clinical trials of the drug involving human pancreatic cancer patients these and more have been seen in china with the help of research and development and it has actually helped in their export market.



Fig. 2 Energy Saving Nano-Carbon Light Bulbs Could Outshine CFLs and LEDs

As seen by Chinese government, necessary measures were taken in the area of science and technology to boost production of technological objects such as cell phones, electronics and diversifying to medicine which have boosted their export trade. Protection of intellectual and industrial property should be inducted; innovation financing and intensified co-operation between research universities and companies should be given almost preference.

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