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INSTITUTIONAL CONDITIONS OF TECHNICAL AND TECHNOLOGICAL DEVELOPMENT

Science and technology are key factors in socio-economic development in the modern world. Laying the material basis for productivity growth and increasing production efficiency, revolutionizing the methods of its organization and creating new models of goods and services, scientific and technological progress is today a powerful factor in shaping the competitiveness of countries in world markets and is a source of economic growth. According to reports from the Global Innovation Index, for more than a quarter of a century, 70 to 80% of the GDP of developed countries has been created due to new knowledge converted into machinery and technology [1].

Given this fact, the governments of many countries seek in modern conditions to increase their technical and technological potential, to give it an innovative focus through priority investment in science. However, concentrating efforts on the development of the R&D sector, the creation and transfer of advanced developments and new technologies does not always solve the problem of economic growth. The realities show that the ability to generate new knowledge and innovations is characterized by global uneven distribution. Despite the priority of innovation policy, which is typical for many countries, the primacy in technical and technological development continues to belong to highly developed countries. Solving this problem requires a change of emphasis. It is generally accepted that technical and technological development is conditioned by investment. Moreover, these investments must be both tangible and intangible. That is, to invest not only in physical capital and production technology, but also in research and education, which is the basis of human capital.



Many countries, especially the underdeveloped ones, have followed this idea and have not had very high results that characterized economic growth. Therefore, along with these sources of technical and economic development, the creation of institutional conditions in which the innovation process takes place becomes extremely important.

We must recognize that the combination of physical and human capital is a necessary but insufficient condition for success in the field of scientific and technological progress. The new generation of machinery and technology created in the scientific sector of the economy must be introduced into production and become widespread. And in this process, the figure of the Schumpeterian entrepreneur-innovator, who destroys sustainability and promotes development, is important. The formation of such an entrepreneur depends in the vast majority on factors that are not economic but institutional in nature.

J. Schumpeter first drew attention to the fact that the implementation of innovations "is a special function and privilege of people who are much smaller than those who in principle would have such an opportunity" [2, p. 149]. These people are motivated to innovate by the desire to realize their special qualities: the desire to fight and succeed for the sake of success, the will to win, the discovery of creative potential and creation. All these traits, embedded in the development of personality under certain conditions of socialization, form the basis of informal institutions and are associated with the influence of culture. Therefore, states must create a favorable institutional environment for the realization of the innovative potential of entrepreneurship.

References:

1. Global Innovation Index 2019 [Электронный ресурс]. – Режим доступа: <https://www.wipo.int/publications/en/details.jsp?id=4434>
2. Шумпетер Й. Теория экономического развития / Й. Шумпетер // Теория экономического развития. Капитализм, социализм и демократия. – М. : Эксмо, 2007. – 864 с.