

ANNEX E: TECHNOLOGICAL INNOVATION: GOVERNMENT/
INDUSTRY COOPERATION

Excerpts from the proceedings of an International Conference held at The Hague, Netherlands, July 1978.

1. "The main influence on technological innovations is the general economic climate rather than specific government measures. While it is true that certain specific measures might result in some technological innovations, by far the overriding influence on technological innovation is the general state of the economy.

The government's essential task in providing incentives and disincentives for technological innovation is to create an environment conducive to innovation, rather than to attempt to influence innovation directly.

The government in general should act in such a way as to complement rather than to supplement or replace market forces. In some cases the government may accelerate market and commercial development."

2. "Government measures can be divided into selective vs general policies. General policies affect the overall economy while selective policies influence a particular sector such as the German watch industry. The selective policies were seen as policies which are more accurate but at the same time more interfering with the free market economy. General policies were seen as policies which would be less efficient but at the same time less interfering, as well as leading to longer-term effects. On the other hand, little is known of the efficacy of specific policies, although several countries have experimented with measures for encouraging innovation. This area, it was believed, needs a great deal of further investigation.

Both general and selective policies have their appropriate place. The government's task is to determine the most appropriate mix of these two approaches.

In general, policies directed toward specific industrial sectors should be avoided. It is recognized that specific policies may be necessary in certain cases, but that such measures usually create concern by those sectors that do not benefit from the incentives provided by the government."

3. "The question of what government can do to push the transfer of technology has been approached many times