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# United Nations Industrial Development Organization

Meeting for the Improvement of Industrial Administration

Kreme, Austria, 4 - 8 June 1972

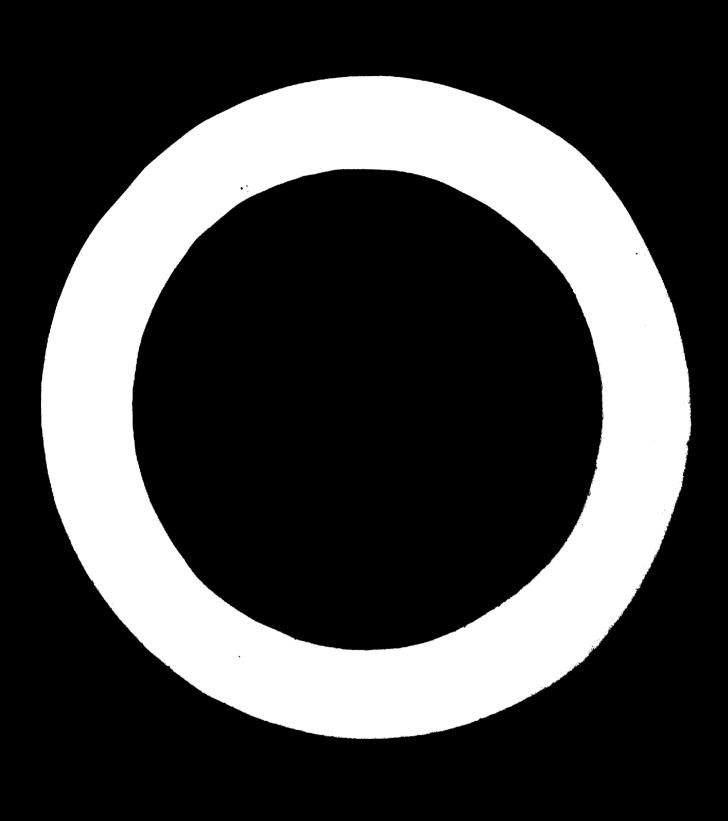
PANEL C

Tuesday, 6 June 1972

### THE ADMINISTRATION OF TECHNOLOGICAL INNOVATION

During recent years the question of "transfer of technology" has been uppermost in the minds of many people in the developing countries. They have been concerned over the low rate of flow of technology or with the high costs to them of the transfer. Increasingly, however, there are signs that attention must be turned also to the administration of this flow to increase both its rate and effectiveness for industrial growth.

The industrialised countries also are increasingly concerned with this particular problem of administration. For example, over the past years OECD has conducted studies which indicate that while the European countries of the OECD have very high levels of industrial research, they have generally failed to convert this research into new industrial operations and are still overly dependent upon North American technology. To help overcome this problem the OECD countries recently established in Milan the International Institute for the Management of Technology. Another example of an administration problem is the failure in the past in the industrial countries to take into account the environmental effects of technological innovation. The world will be hearing much more about this subject at the Stockholm Conference.



The industrially developing countries are faced to some degree by both the problems mentioned above. But they also have one very important additional problem. to do with the dependency of many developing countries on industrial technologies designed for the social and economic conditions of the industrial countries. In many cases such technologies are not appropriate to their new home. They may be too large in scale, they may require too high quality raw materials, they may require too much capital per unit of output to be practical, they may replace workers in a country with massive unemployment. This latter problem is increasingly drawing our attention as imbalances in foreign exchange are aggravated and as unemployment grows.

The problems encountered in technological innovation, to increase both the rate and the appropriateness of innovation, are so pervasive as to require the attention of many types of industrial administrator. Included are those responsible for industrial planning and policy; licensing and patents; industrial research; industrial consultancy; industrial information; etc.

Questions relating to the rate of technological transfer and the cost of this transfer are being given considerable attention in other meetings being held by the Advisory Committee on the Application of Science to Development, the ECOSOC Committee on Science and Technology, UNCTAD and UNIDO. Thus it may be more profitable at this meeting to concentrate on the appropriate administrative decisions related to the applicability of the technology and to the adaptation and generation of technologies within a country for domestic use and for export.

More specifically the following subjects for discussion might be considered:

1971

# Suggested Subjects

Appropriate administrative decisions to improve the applicability of technological innovation to the environment.

# Background Material

Appropriate Technology and Research for Industrial Development, ST/ECA/152 UN, New York, 1972. The same material as in the above is also included in the following two documents. Technologies appropriate for industrial development, E/4967 of 17 March 1971 Factors affecting the effectiveness of existing industrial research organisations in developing countries, E/4960 of 18 March

A Proposal for the Establishment of the International Centre for Industrial Administration, ID/WG./29/4, 25 May 1972, paragraphs 6)-72,

Mote Chapter I of New Perspectives: Industrial Development in the Third World.

Appropriate administrative decisions to adapt and to generate technologies for domestic use and for export.

Same as the above.

# Suggested Subjects

## Background Material

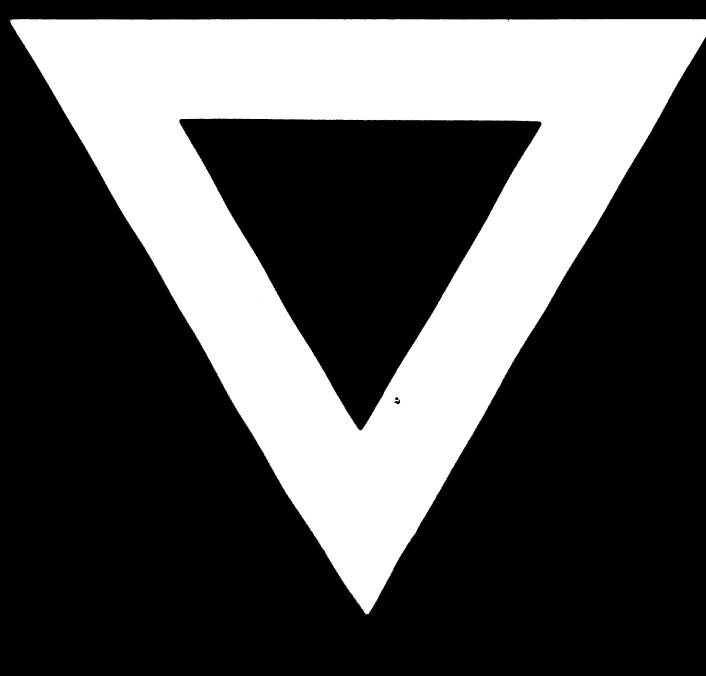
 Technological innovations, future and prospects.

"Major Computerised Global Study Sponsored by Club of Rome" SID, Vol. IX N° 3, March 1972

The Limits to Growth, Petomac Associates, London, 1972

"The End of an Epoch", Barbara Ward, THE ECONOMIST, 27, May 1972





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