THE CHALLENGE OF THE SOUTHERN EUROPEAN COUNTRIES

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ABSTRACT

This paper analyzes the industrial setup of the Southern European Countries and the influence on their economy. From this analysis new public and private funds must be proposed to Technological Development activities (D). The goal is to improve the competitiveness of these countries and achieve a Technological Development that allows them to create their own Technology and to design their own products.

Keywords: R&D, technological development, southern european countries, technology management, product design and manufacturing.

INTRODUCTION

Southern European Countries have a small number of companies developing and manufacturing their own products. Their economy is specially based on the services including tourism, agriculture and construction sectors activities and they differ from the northern countries by its high unemployment, its high public external debt and the reduced wages of the population majority. These differences are due mainly to the lack of a significant number of companies doing technological development activities and the consequent lack of a significant number of their own new products enriching the economy. On the other hand, it is known that in Southern European Countries scientific research (I) investments have, in general, a small economic return. Although knowledge grows when publishing scientific articles in international journals, financial returns are impossible without new products development.

In the Southern European Countries, different economic actors frequently say that it is necessary to increase Innovation activities. They do not take into account that Innovation is not an activity and it is only achieved when a new product have success in the market and it cannot be achieved if Technological Development (D) activities are not done (Mandado, 2012). To change this situation the Southern European Countries must conceive and design new products with its own technology. Start-up companies based in Technological Developments are necessary and technical universities can contribute to their activities if a good technological policy, complementary but different to the research policy, is implemented by the government.

It is imperative for the Southern European Countries, to achieve economic valuation of knowledge to improve their standard of living. To overcome the profound crisis in which Southern European Countries are, it is necessary to do Technological Development (D). Scientific researchers and engineers must work together to develop new products. Achieving Innovation is impossible without technological development, even if a country does a lot of scientific research (Mandado et al., 2003).
Several studies have shown that a country standard of living depends in general, on the ability to educate a large number of engineers to create and develop new products enriching the economy (Santos, 2014).

**RESULTS AND CONCLUSIONS**

Businesses exist to deliver products and/or services in order to generate value for both shareholders and other stakeholders. Nowadays, the market is global, and the context in which businesses are developed is characterized by strong competition and fast change. Knowledge constitutes the basis for the creation of wealth in organizations. In turn, R&D (Research and Development) are the main sources of creation of this knowledge. It is through ideas and Innovation that organizations can better convert knowledge into innovative products and/or services with utility and added value, enhancing the sustainable development of businesses and societies (Santos et al., 2015). On the other hand, there are two types of companies: (1) ones that merely survive, using only the readily available knowledge, copying the same tasks and using the same tools and processes others have already used, and integrating small Innovations discovered by others, and (2) ones that exist, not merely to survive, but to grow, evolve, and enrich through an ongoing quest for Innovation, regardless of the country where they are installed. These latter companies create value and thus gain competitive advantage over their competitors. Their leaders formulate and implement strategies with immediate impact and define objectives and goals for the medium and long term, promoting a culture R&D supported by continuous Innovation. They are also great optimists in value creation (Santos et al., 2015). The first are those of Southern Europe companies. The second are those of Northern Europe. The challenge is the southern countries have identical companies to northern countries. This requires that the Southern Countries to develop their own technology, with the aim of designing their own products, rather than, just manufactures them to the northern countries.

In this communication new political actions improving Technological Development are described to improve the Technological level of the Southern European Countries. Innovation is not achieved if a country mainly sells or manufactures products being developed by others. For Southern European Countries it will be very difficult to become real developed countries, if they continue just to be places where the multinational companies of the richer countries manufacture their products, taking advantage of their low wages.

**REFERENCES**


