

Project for PHD in Economics

By: Leisa Cristina Sena Moreno

Subject: "Tertiary economy: the path of a development for which savings options are limited resources?"

Keywords: economy, service, innovation, attractiveness, location, transformation

Presentation

The world of services and the world of innovations seem to use the same path and have the same progression up until the point of being inevitably intertwined. It is even said that innovation is the engine for service and therefore it reflects sustainability for the service sector on economies. Since the advancement of innovation, integrated and dedicated to the service, have changed the face of the industry it gave credits for it to be the first sector to engage or at least one of the largest sector in within existing economies nowadays.

To know or to recognize the potential that a given territory has in itself may seem easy by enumerating particular comparative advantages. Especially when the bold relation service/innovation (with an implicit expression of an upheaval in know-how) is subject to establishment of firms considered a windfall to the economy. But how to appreciate the relationship service/innovation at its fair value and especially by what means handy when it comes to deploy the tertiary sector activities?

Therefore strategies for locating service companies and attractiveness factors have become the objects of study as their inherent links. Service firms and their performance at the exchange at all levels are the inevitable study targets. And this without neglecting their contributions for the national economy taking scope to the international visibility they may give to the referenced economy.

Methodology

Such raise is inevitably ease to considerate once a country strategy is based on prioritize sustainability for the third sector activities as "clusters". "Clusters", those are the homes of choice for innovations. This leads this working paper to take reference to the Cape Verde, despite limited options on resources, so bold vision founded on building a diversified and productive economy through the development of "clusters" of competitiveness; these based on a model of sustainable growth by dynamic private sector able to allow transformations of comparative advantages into competitive advantages. A strategy that has been materialized through the Cape Verdean Strategy Document for Growth and Poverty Reduction (at its third implementation). A planning tool that articulates different sectorial policies and strategies for the development of Cape Verde.

The analysis will see the effect of service/innovation on economic transformation using data methodology of estimation from a growth equation to which we can add a service/innovation regressor. The results would confirm that service/innovation has effects on growth in the chosen sample. The hypothesis will be tested on a limited resource economic context. We follow one of the approaches used by Faridah Djellal, Dominique Francoz, Camal Gallouj, Faïz Gallouj and Yves Jacquin (2003) on their joint paper titled: "Revising the definition of research and development in the light of the specificities of services" where they state that research and development (R&D) is underestimated in services. This article combines deductive and inductive approaches to formulate a new definition of R&D. The proposed revision does not fundamentally alter the structure of the current OECD definition, which is only marginally amended by making explicit certain implicit or insufficiently highlighted characteristics. In particular, it emphasizes the importance of the social sciences and humanities and of design and development or organizational engineering, the composite nature of projects, and so on. Their objective is to attain a certain 'psychological' threshold that would mark their emancipation from the inertia of the still dominant industrialist and technologist approaches.

So this reference and results leads towards a problematic on how to consider the transformation of such economy thanks to the service sector in all categories. Especially on how to state such transformation? By using what kind of barometer for?

Purposes

It seems wise to continuously work reflections on what remains to be done to enhance the responses already made this concern.

This subject to study on Doctoral degree is not only the importance of economic transformation phenomenon for economies as the Cape Verdean one, but also for the: a) absence of theoretical and empirical consensus concerning the effect of service/innovation on growth process for resource limited economies; b) the lack of studies for Cape Verde about the relationship between what kind of service/innovation effort leading its growth and transformation; and c) the study reference time goes from the political opening(1990) until nowadays Cape Verdean economic states.

The work will be relying on the location factors of any firms of the third sector on an economic context with limited resources proving its measured transformation. So the project aims to provide additional evidences to establish a kind of barometer of attractiveness and transforming economics signs.