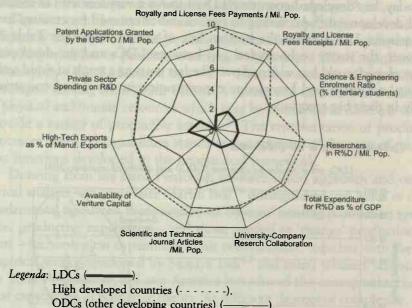
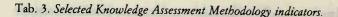
Technological capabilities





The development of these technological capabilities is both the outcome of an endogenous process of building within the firm and the response to exogenous stimuli, such as those arising from FDI made by transnational corporations into the global value chain, as well as, state selective industrial support and ITT policies.<sup>33</sup> In other words, the development of capabilities at the micro and meso level is strongly affected by the presence of capabilities and adoption of ITT policies at the macro level. As Sanjia Lall clearly pointed out, national technological capabilities which arises from an interplay between capabilities, incentives and institutions are crucial factors in the process of catching up and constitute strong arguments in favour of state intervention through ITT policies. As a matter of fact, as it has been clearly documented in the OECd<sup>34</sup> three-pronged approach.

Source: UNCTAD 2007, p. 2.

<sup>&</sup>lt;sup>33</sup> D. ARCHIBUGI and C. PIETROBELLI, The globalisation of technology and its implications for de-veloping countries: Windows of opportunity or further burden?, «Technological forecasting & social change», 2003, pp. 861-883.

<sup>&</sup>lt;sup>34</sup> OECD, Structural adjustment and economic performance, Paris, 1987, p. 18.