

## **Indicator-based approach to the evaluation of absorptive capacities and innovation capabilities of catching-up countries**

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One assumption of the innovation system concept is that generation and diffusion of new technological solutions depend on social interactions of various agents in the innovation process. A country's catching-up capability to imitate technologically demanding products and to successfully promote the adaptation and development of those technologies depends on a number of national framework conditions. The proposed approach evaluates on a theoretical basis a multitude of different indicators and their innovation effects. The indicators are summed up by the statistical method of principal components analysis. The resulting factors permit a systematic comparison of the absorptive capacities and innovation capabilities of the catching-up countries under analysis.