

Bridging The Business R&D Gap: Strategies For European Economic Growth*

Barbara GRABINSKA
Krakow University of Economics, Krakow, Poland

Correspondence should be addressed to: Barbara GRABINSKA, grabinsb@uek.krakow.pl

* Presented at the 45th IBIMA International Conference, 25-26 June 2025, Cordoba, Spain

Abstract

Research and Development (R&D) serves as a pivotal driver of economic growth, innovation, and competitive advantage in the global market. As economies increasingly rely on technological advancement to stimulate growth, disparities in R&D investment emerge, particularly highlighted by the contrasting performances of global leaders such as the United States and China against the European Union (EU).

The aim of the paper is to investigate the global landscape of business R&D expenditures, specifically to compare trends influencing private sector R&D investments among the top 2,000 companies from 2013 to 2023. By using data from the EU Industrial R&D Investment Scoreboard, this research seeks to uncover the disparities in investment levels across different regions, emphasizing the performance of the EU in relation to its global counterparts - especially the United States and China.

Key findings suggest that enhancing private R&D investments and fostering a collaborative ecosystem between public institutions and business sector are crucial for revitalizing the EU's innovation capacity. The implications of this research underline the need for targeted policy reforms that stimulate corporate investment in high-tech sectors. This paper contributes to the existing body of economic literature by providing a comprehensive assessment of the challenges and opportunities within the EU's R&D framework, thereby adding value to ongoing discussion on innovation policy in a rapidly changing global landscape.

Keywords: R&D intensity; economic growth; innovation policy.