

MULTIPLIER OF KNOWLEDGE AND INTELLECTUALIZATION OF ECONOMIC GROWTH

The article deals with the process of knowledge animation on the simple growth model, which assumes that the production knowledge (technology) created by human intelligence is the basis, and a source of the created value and economic growth. This analysis allows us to formulate some conclusions about the process of animation knowledge and its impact on economic growth:

— Simple living labor creates the added value. Repetition of routine operations in the

definite moment gives a new quality to work: in the process of accumulation of a critical mass the production knowledge begins to materialize in the created tools or formulated and transferred technologies. In the process of gradual learning by own or other experience the labour becomes enriched and elemental; gradually a special kind of activity on the production and transfer of knowledge is forming (education sector). As a result, we can formulate the following hypothesis. The economic growth is provided primarily by the intellectual component of the production factors created the added value in each production process.

— It is simulated the process of new knowledge and growth creation, the specifics of this increase is indicated by an increase in the share of non-material component. While the material content of the product is always integrated with the real material costs once the created

knowledge will be able to be circulated in each unit of the created product without any additional expenses. In the final product multiplication of the value of intellectual, embodied primarily in human capital together with the cost of natural resources creates the gross value added, and can be evaluated as the multiplier effect of knowledge.

— The cost of the material component of a factor of production is simply transferred to the cost of the product making no additions but the further adaptation of the same idea creates the added value at every turn. Repeated usage of knowledge in the process of labor determines the multiplier effect of knowledge. Thus, we can talk about economic growth as a process of intellectualization produced GDP.