



## **Technical Change and Economic Growth: Inside to the Knowledge Based Economy**

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The growing importance of technological change in world production and employment is one of the characteristics of the last four decades. This book performs such an empirical analysis. It uses the unique example of the E.U. to analyze whether convergence or divergence occurred within the E.U. The book argues that regional economic development ultimately depends on technical change, social and human capital and civic entrepreneurship, among others. If so, technology, in all its facets, will be the crucial ingredient in regional improvement, in contrast with the usual regional pleas for better infrastructure, health care and banking facilities.

The book is intended to provide a basic understanding of the current issues and the problems of knowledge economy, technical change, innovation activities; it will also examine many aspects and consequences of regional integration that are obscure or yet to be explored. The book consists of five main chapters. Chapter I is devoted to definitions and measurement of innovation activities and knowledge economy. Chapter II investigates the neoclassical growth theory and models of innovation activities and the knowledge based economy. This Chapter attempts to analyse and model the new economy, within the framework of knowledge and innovation activities; It also attempts to estimate socio-economic effects of technical change, using both a theoretical and an empirical approach. Chapter III deals with the main issues of technical change, knowledge economy and productivity growth. This Chapter attempts to identify the R&D activities and also to investigate the estimation-methods, the techniques of scientific and technological activities and the measurement problems for productivity growth. Chapter IV investigates the role of FDIs (Foreign Direct Investments) in the context of national systems of innovation. Finally, Chapter V deals with the challenges and the institutional matters for the European policy-makers encounter and the effects on regional growth and economic integration, including technology policy, other related policies, the distribution of E.U. funds, regional development and productivity issues.

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