

Knowledge Economy: Developed Economy Perspective

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Knowledge Economies

1998 UNCSTD

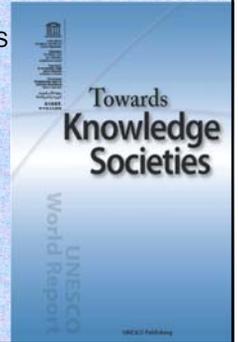
1999 WORLD BANK

2005 UNESCO

KNOWLEDGE SOCIETIES
Information Technology for Sustainable Development



“KNOWLEDGE IS LIKE LIGHT. Weightless and intangible, it can easily travel the world, enlightening the lives of people every where.”



Information, Knowledge & Development

“Knowledge has been at the heart of economic growth and the gradual rise in levels of social well-being since time immemorial. The ability to invent and innovate, that is to create new knowledge and new ideas that are then embodied in products, processes and organizations, has always served to **fuel** development.” (David and Foray, 2003)



Local, Regional, & Global Systems of Innovation

- Changes in ‘techno-economic paradigm’ – The ICT Paradigm.
- Changes in technology, organisational, social, cultural and political systems.
- Innovation occurs unevenly and at all levels.
- Gives rise to knowledge-based economies where ICTs & information intensity contributes to every sector of the economy. (Freeman & Perez, early 1980s ...)

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Knowledge-based Economies

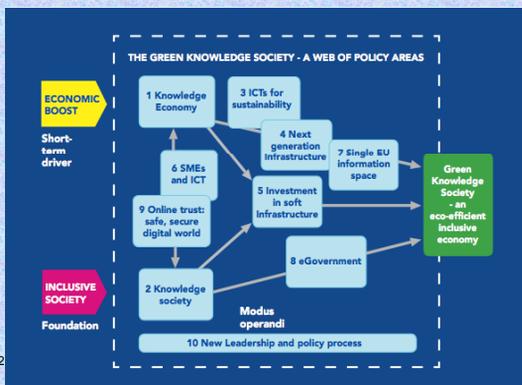
“Assembling the “tools” is only part of the task ... Measures must be taken to assemble the **human capabilities** and related technologies to make the best use of the new opportunities offered by ICTs.”

(*Knowledge Societies* Mansell & Wehn 1998)

The Knowledge-based Economy

- “The importance of knowledge and technology diffusion requires better understanding of **knowledge networks**....
- “An unknown proportion of knowledge is implicit, uncodified and **stored only in the minds of individuals**”.
(OECD 1996)

The Green Knowledge Society – EU Presidency Conference, Visby, Sweden, Nov 09



Three decades of research on Knowledge-based Economies

- Digital technologies do **not** ‘create’ knowledge-based economies.
- Knowledge circulation does **not** eradicate poverty.
- Knowledge exchange/sharing is not only about economics; it is political, social and cultural.
- Knowledge needs to be situated in **local contexts** if it is to be applied productively.
- This is the biggest lesson for **inclusive** knowledge-based economies.