



***DYNREG***



CITIZENS AND GOVERNANCE IN A  
KNOWLEDGE-BASED SOCIETY

# **Dynamic Regions in a Knowledge-Driven Global Economy: Lessons and Implications for the European Union – DYNREG**

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## **Introduction**

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# Overview

- Research Context
- Research Questions
- Research Partnership
- New Knowledge and European Value Added
- Research Output

# Research Context:

## Increased Globalisation since 1990s

- Significant acceleration of international integration of product, capital and labour markets
- Rapid technological change, falling transportation and communication costs
- Integration in the world economy of new players: China, India, Central and Eastern European countries, former USSR countries

# Research Context:

## Recent Trends of Globalisation

- Increased internationalisation of production: “trade-in-tasks”, global supply chains
- ICT - enabled trade of services
- Globalisation of financial markets
- Increased migration flows, migration of highly skilled workers

# Research Context:

## New Challenges of Globalisation

- Intensification of competition from low-wage countries, between workers performing similar tasks
- Cost-induced and ICT-enabled acceleration of re-location of production driven by multinational enterprises
- The new competitors have comparative advantages in a wide number of industries (China) and in high-value added services (India)

# Research Questions

- How is globalisation affecting growth and trade patterns?
- What is the role of the “new players” in emerging global production structures?
- How well are the EU countries prepared to cope with the new challenges?
- How and to what extent could public policy foster innovation, growth and competitiveness?

# DYNREG: Research Partnership

## **Coordinator**

Economic and Social Research Institute, Dublin

## **Partners**

University of Bonn

University of Thessaly, Volos

University “Luigi Bocconi”, Milan

University of Cambridge

University of Economics and Business Administration, Vienna

Free University Amsterdam

Free University Brussels

London School of Economics

Institute for Economic Research, Ljubljana

# DYNREG: New Knowledge and European Value Added

- Original empirical evidence contributes to a better understanding of recent trends in globalisation and how they affect trade, growth and competitiveness patterns at firm, region, industry, country level
- Novel data sets, expert opinion survey
- Interdisciplinary approach: combine neoclassical and endogenous growth theories, new economic geography, national and regional innovation systems, international trade and investment, sociology
- Research co-operation at European level
- Strengthening the scientific knowledge base for policy at European and national levels

# **DYNREG: Research Output**

## **(50 Research Papers)**

- Theoretical and methodological framework
- Understanding economic dynamism
- Globalisation, competitiveness, growth
- The role of policy in fostering innovation and growth

# Theoretical and Methodological Framework

- Survey of relevant theory and empirical literature
- Theoretical and methodological study on factors underlying dynamic economic growth
- Theoretical and methodological study on comparative advantages in dynamic growth regions, convergence and inequalities patterns
- Theoretical and methodological study on the role of public policies in fostering innovation and growth

# Understanding Economic Dynamism

- Characteristics of dynamic regions and knowledge driven economic dynamism
- Factors underlying growth of dynamic regions at global, national and sub-national levels
- Expert opinion survey on sources and factors of dynamic growth

# Globalisation, Growth, Competitiveness

- Changing comparative advantages
- The impact of globalisation on trade, growth, and convergence
- Dynamic growth, inequalities and social cohesion

# The Role of Public Policy in Fostering Innovation, Growth and Competitiveness

- Education and research policy
- Innovation policy
- Trade policy
- Investment policy
- Macroeconomic policy