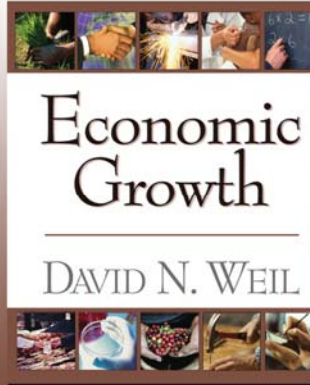
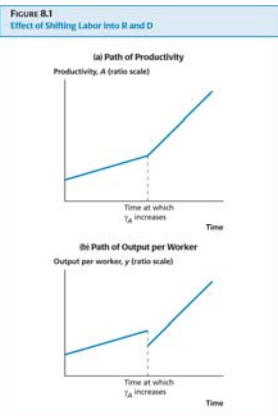


Chapter 8

The Role of Technology in Growth



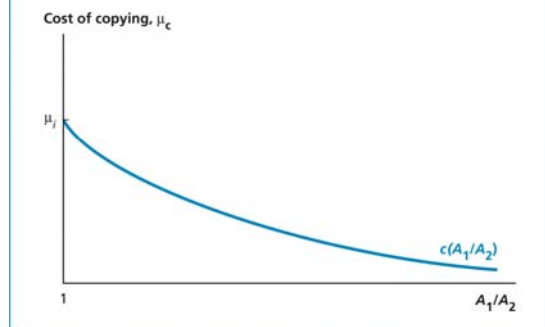
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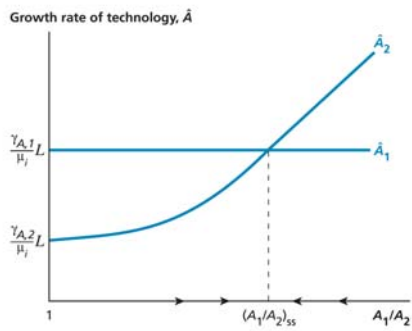
FIGURE 8.2
Cost of Copying for the Follower Country



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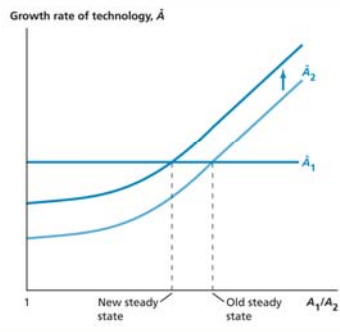
FIGURE 8.3
Steady State in the Two-Country Model



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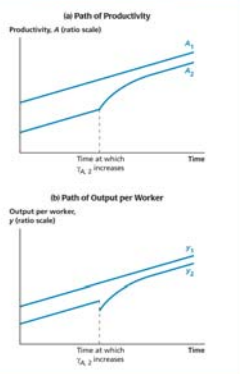
FIGURE 8.4
Effect of an Increase in R and D in the Follower Country on the Steady State



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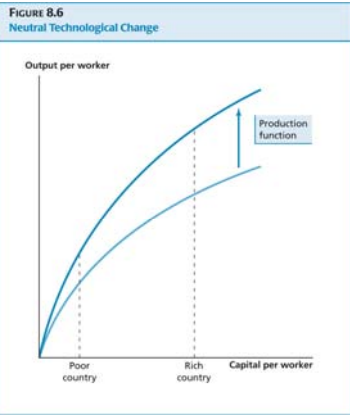
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FIGURE 8.5
Effect of an Increase in γ_{A_2} on Productivity and Output



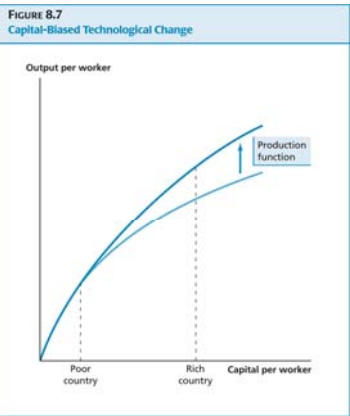
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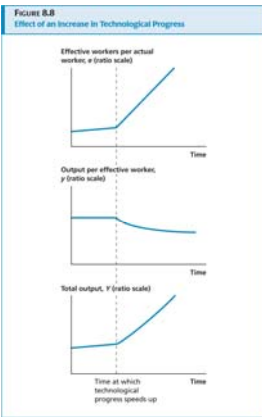
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TABLE 8.1
Researchers and Research Spending in the G-5 Countries, 2000

Country	Number of Researchers	Researchers as a Percentage of the Labor Force	Research Spending (\$ billions)	Research Spending as a Percentage of GDP
United States	1,261,227	0.90	265.2	2.7
Japan	647,572	0.96	98.4	3.0
Germany	257,774	0.64	53.6	2.5
France	172,070	0.65	32.9	2.2
United Kingdom	157,662	0.55	27.2	1.9
OECD Total	3,368,087	0.63	604.6	2.3

Source: OECD Main Science and Technology Indicators database. Labor force data for the United States are from 1999 and for the United Kingdom are from 1998.