The Competitive Advantage of Regions and Nations

Contents

List of Figures		ix
List	xi	
List	xiii	
Abo	xv	
Prej	Preface	
List of Abbreviations		xxi
1	Introduction	1
	1.1 The Role of Technology	1
	1.2 The Aim of this Book	6
	1.3 The Structure of this Book	6
PA	RT I THEORETICAL FOUNDATIONS	
2	Understanding Technology	13
	2.1 Defining Knowledge and Technology	13
	2.2 Basic Characteristics of Technology	16
	2.3 Types of Technology	17
	2.4 Mediums for Technology Storage	21
	2.5 Technological Capabilities	_ 22
	2.6 Technological Evolution	24
3	The Importance of Technology	27
	3.1 Firms: Generating a Competitive Advantage	27
	3.2 Nations: Increasing Factor Productivity	31
4	Theories of Technology Transfer	35
	4.1 The Theory of Technology Conversion	35
	4.2 The Theory of Absorptive Capacity	38
	4.3 Social Network Theory	41
	4.4 Case Study: Technology Transfer to Korea's	
	Automotive Industry	43
	4.5 Key Implications for Practice	45

5	Foreign Direct Investment	47
	5.1 Historical and Recent Developments in FDI	47
	5.2 Definition of FDI	50
	5.3 Types and Forms of FDI	50
	5.4 Determinants of FDI	53
	5.5 Potential Contributions of FDI	57
6	FDI and Technology Transfer	59
	6.1 Internal Transfer from the MNC to its Local Subsidiary	60
	6.2 External Transfer 1: Horizontal Spillover to Competitors	62
	6.3 External Transfer 2: Vertical Spillover to Buyers and Suppliers	63
PAR	T IITHE PRACTICAL PROCESS	
7	An Overview of the Practical Processes of Technology Transfer	69
8	Developing a Technology Strategy	73
	8.1 Introduction	73
	8.2 Development of Technology Mission Statement	76
	8.3 Strategic Analysis	79
	8.4 Formulation of Strategic Themes	85
	8.5 Technology Strategy Implementation	88
	8.6 Strategy Example	90
9	Gathering Information on Technologies	97
	9.1 Categories of Information on Technologies	98
	9.2 Sources of Information on Technologies	100
	9.3 Searching Techniques	103
10	Technology Assessment	105
	10.1 Phases of Technology Assessment	106
	10.2 Methods of Technology Assessment	109
	10.3 Best Practices of Technology Assessment	124
11	Technology Attraction	127
	11.1 Policy Measures for Attracting FDI	128
	11.2 Policy Measures to Stimulate Technology Transfer via FDI	131
	11.3 Negotiations	136

CONTENTS vii

12	Technology Absorption	141
	12.1 Building Absorption Capacity	142
	12.2 Facilitating Interaction	148
	12.3 Case Study: Thailand's Electronics Industry	153
13	Technology Application	161
	13.1 Introduction	161
	13.2 Internal Usage: Process Technology	163
	13.3 External Usage: Product Technology	166
14	Performance Measurement	173
	14.1 Benefits of Performance Measurement	174
	14.2 Types of Performance Measurement	175
	14.3 Measuring Technology Transfer	178
15	Integrated Case Studies	187
	15.1 Introduction	187
	15.2 Russia: Agriculture and Agro-processing Technology	189
	15.3 Egypt: Cotton and Textile Production Technology	193
	15.4 Chile: Wine Production Technology	195
	15.5 Malaysia: Automotive Manufacturing Technology	198
	15.6 Estonia: Banking Technology	203
	15.7 Ireland: ICT and Software Development Technology	208
16	Summary and Conclusions	215
References		219
Index		229