Expert Group Meeting on “Innovation and Technology for Advancing the Knowledge Based Economy in the Arab Region.”
United Nations- Economic Commission for Western Asia (ESCWA)
Amman, Jordan, 3-4 June 2015

Towards Building Knowledge Economies in ISESCO Member States

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The Islamic countries face daunting challenges...

- Unemployment,
- Inadequate social protection policies,
- Inadequate policies of Higher education,
- Food Security
- Climate change
- Urbanization etc..

ISESCO’s Member States need to integrate a new type of economic approach based on Knowledge and Innovation
II ISESCO’s Program on Knowledge Economy

- ISESCO Program on knowledge-based economy and its objectives.
- The report “Transforming Arab Economies: Travelling the Knowledge and Innovation Road” prepared by the World Bank under the auspices of the Marseille Center for Mediterranean Integration (CMI) in partnership with the European Investment Bank (EIB) and ISESCO.
- The Guiding Paper “Towards Building Knowledge Economies in ISESCO Member States” (Africa, MENA and Asia regions)
III ISESCO’s guiding paper on knowledge economy

A) The main ideas...

- The rise of the knowledge economy is marked by the increasingly growing share of intangible investment, including the major transversal role of ICTs...
- The focus on knowledge shows that the issue is more about the ability to use information than it is about access itself.
- The knowledge economy would be defined as a stage marked by a universal business model structured around organizational and technological complementarities between them.
III ISESCO’s guiding paper on knowledge economy “Towards Building Knowledge Economies in ISESCO Member States
The productivity paradox highlighted by the Nobel laureate in Economic Science Robert Solow is a good example of the complex relationship between knowledge and growth.

The relationship between knowledge and growth is not immediate...because of the effective use and dissemination of technologies, which takes place through a process of reorganization and learning at every level of the entire economy, where the dissemination of knowledge and technology requires Research and Education Networks (REN) and «National Innovation Systems».

Transplanting one of these elements alone in a different context will not be enough to generate a virtuous circle.
III ISESCO’s guiding paper on knowledge economy “Towards Building Knowledge Economies in ISESCO Member States
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c) Proposals of key sector-specific guidelines

A. Supporting higher education, research and innovation
B. Encouraging the development of innovative SMEs and social innovation
C. Addressing the environmental challenges
D) Main recommendation

Reconsidering the current economic models:

A Successful transition towards Knowledge Economy in ISESCO Member States depends on activating growth models based on knowledge and innovation, as well as making progress on sectoral and spatial diversification and adoption of a “balanced governance” based on coordination among different Governmental Departments, as well as involving the private sector and civil society in the process.
Countries should imperatively:

- Take any short cuts to embark swiftly in the Knowledge Economy Model (promote free zones, clusters that can help also to attract FDI);
- Focus on the private sector with emphasis on access to finance; need for leadership and vision;
- Translate the Vision into governmental action,
- Integrate more in regional economic blocks
- Be engaged in the awareness raising process.
- Create a measurable indicator of the KE with sub-indices which could be updated annually by Members States so that it can serve as a motivator for neighbors and competitors in the Islamic countries.
Thank You for your kind attention