

**The
Global Long-term
Economic Growth
and the
Economic Transformation
of Poland
and Eastern Europe**

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and Eastern Europe**

STANISŁAW GOMUŁKA



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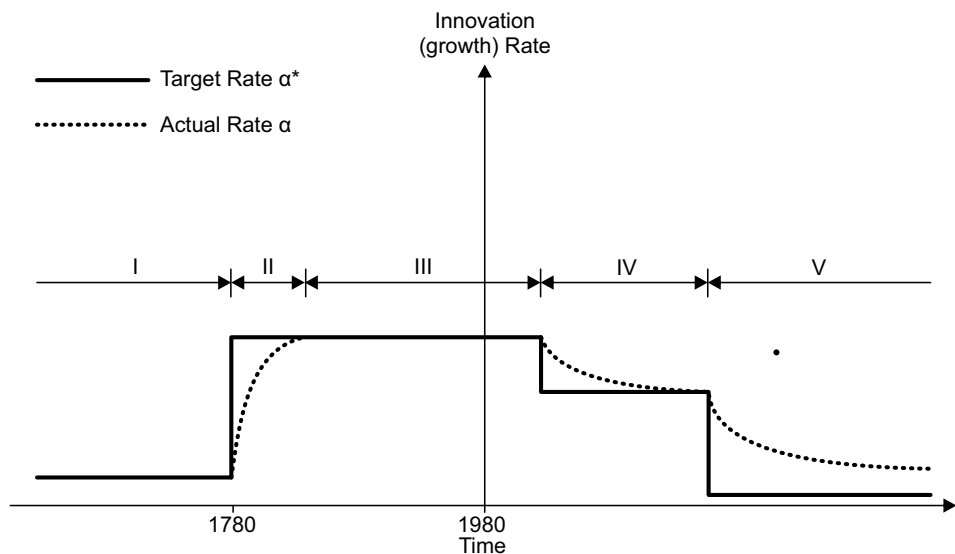
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The target and actual innovation rates over time in the Technology Frontier Area (TFA). The dates and magnitudes are chosen for illustrative purposes

The Five Periods of the global innovation rate α , the growth rate of the world population n , the growth rate of employment in the global sector producing conventional goods n_1 , the growth rate of global capital in the sector producing qualitative changes, $n_1 + \alpha$, the growth rate of global employment in the sector producing qualitative changes, n_2 , the growth rate of global Gross Domestic Product per manhour, g :

- (I) n , n_1 and n_2 are all very low. So are α and g .
- (II) $(n_1, n_2) \gg n$ and n is high. The rates α and g are increasing.
- (III) $(n_1, n_2) \gg n$, but α and g are high and stable.
- (IV) $n_1 = n_2 = n$, but n is still high.
- (V) $n_1 = n_2 = n = 0$, α and g are declining.

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