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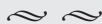
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Abstracts and keywords, Volume 61, Issue 3-4

Identifying and Exploring Sources of Knowledge Spillovers in European Union: Evidence from Patenting Data

Sotiris Karkalakos

Keywords: Knowledge Spillovers, Spatial effects, Regional policy.

JEL Classifications: O31, H41, O40, D24.

Although the process of innovation is a crucial aspect of economic growth, there is less clarity about the measurement of economically useful ideas. Determining the extent to which different types of institutions contribute to the creation of new knowledge is essential for a deeper understanding of the dynamics involved. Using a spatial econometric framework, this article examines the productivity of knowledge and notes that the changes in productivity appear to correlate to the spatial distribution of

new knowledge creation. The channels and the relationships through which knowledge can flow between different sources are identified and estimated.

Will human action by Ludwig von Mises help understand what causes the 2008 economic crisis?

Dimitrios Nikolaou Koumparoulis

Keywords: Austrian School of Economic Theory, Ludwig von Mises, Human Action, Economic Crisis.

Jel Classifications: G01, H3, N1.

Ludwig von Mises was the acknowledged leader of the Austrian School of economic thought, a prodigious originator in economic theory, and a prolific author. Mises's writings and lectures encompassed economic theory, history, epistemology, government, and political philosophy. His contributions to economic theory

include important clarifications on the quantity theory of money, the theory of the trade cycle, the integration of monetary theory with economic theory in general, and a demonstration that socialism must fail because it cannot solve the problem of economic calculation. Mises was the first scholar to recognize that economics is part of a larger science in human action, a science that Mises called «praxeology». Austrian business cycle theory has a legitimate claim to being the most authoritative explanation of the recent global financial and economic crisis. Indeed, many mainstream economists have begun to analyze the crisis, perhaps unwittingly so, in terms that sound as if they were derived directly from the Mises theory of macroeconomic fluctuations. Even advanced economic research into financial leverage and liquidity does conceptually little more than develop the framework of Austrian business cycle theory.

**Globalization and Welfare State:
The effect on Health Systems**

Theodore Papaelias

Keywords: Welfare state, Globalization, Health system, Liberalization, Paradigm of social construction.

JEL Classifications: I10, I30.

The appearance of the national state is the most important event in the passage from the Middle to the New

Ages. The rapid growth of commerce and cities strengthens the exchanges between different regions of Europe, primarily, and the rest of the world, secondly. The cottage industry transforms into handicraft and that into manufacture. The industrial revolution in the 18th - 19th century creates an intense social issue. The consequence is the emersion of the welfare state since the early 1880. After the 1929-33 crisis, the state intervention enforces the welfare state as the dominant regime throughout Western Europe, and establishes a standard for many countries. After the oil crises in 1973 and 1979 and the rise of liberalism, the welfare state confronts a sharp criticism. The fall of existing (real) socialism accelerates the evolutions and the prevalence of globalization leads to its decline. Health systems are the main, perhaps, expression of the welfare state. The paradigms of Bismarck and Beveridge dominate in most countries of the world (whereas, the liberal model in the U.S.A.). The expenditure on health amounts already to 9% or more of GDP, in 1980. But after this decade, a decrease begins, particularly in the public shareholding. This decay leads to a continuous reduction of public expenditure and to the increase of private insurance. The health systems, for a variety of reasons (adverse demographic evolutions, decline in income share of Europe in world GDP, e.tc.), will suffer eclipse.

Air and sea transport: Competition strategies under normal and economic crisis environments

Konstantinos Rigas

Evangelos Sambracos

Androniki Gatzoli

Keywords: Air and Sea Transport, Passenger Transport, Insular Regions, Competition, Economic Crisis. JEL Classifications: R41, R11, 018.

Air and sea passenger transport were generally considered as serving different market segments with little competition between them. Recent research has however shown that the existence of a deregulated operating framework can lead to improved competition between the two modes. This article aims first to identify the circumstances under which air and sea transport compete. The second step is to further examine possible reactions to increase their competitive relationship. The Greek Aegean region presents an interesting case study due to its morphology and seasonal demand characteristics. The question on competitive strategies has become even more essential in an environment of economic crisis as that existing currently in the region.

A wage policy for external balance and employment in EMU environment: A theoretical approach

Sotiris Theodoropoulos

Keywords: EMU, Flexible labor mar-

ket, Wage flexibility, Wage formation, Wage-setting mechanism, Productivity, room for wage increase.

JEL Classifications: J31, J41, J51, F15.

Wage developments and related policies that determine labor markets functioning and wage formation processes, are key factors with central importance in EMU. Flexibility in labor markets functioning and wage-setting aiming to nominal and real wage flexibility, has been the most important policy instrument remaining at national level for responsive national economies and adjustment to shocks. By this paper we analyze the preconditions and importance of a flexible functioning labor market framework, arising from the extended literature and related implemented policies. On the other side of the issue, we discuss the determinants of the conventional wage-setting, as also the main features of the related Scandinavian model and the proposition associated with the new 'pact for euro'. Aiming to formulate a flexible wage setting framework in EMU, complementary to flexible functioning of labor market, we have to abolish the conventional wage-setting and relay on features contained in the Scandinavian model and the new Europact. We conclude that a flexible wage-setting mechanism should consist of three levels of wage bargaining, servicing different functions and purposes, the nationwide, sectoral and company level. In order

to estimate the room or space that is the norm for wage increases in bargaining on the above three levels, we have to rely mainly on productivity developments in competition exposed

tradable sectors of the economy. By this policy instrument we aim at assuring competitiveness and external balance, the crucial preconditions for job creation in EMU.