

Study: Hi-tech to drive global economy

March 30 2006

Technology will both fuel and facilitate continued growth of the world economy, a study released in Silicon Valley Thursday concluded.

The report sponsored by Cisco Systems predicted the world economy would grow to \$100 trillion by 2020 as the United States, India and China become increasingly global and technology speeds up business and customer transactions.

"The global economy is evolving rapidly as globalization and technologies change our industries, our companies and our workforce in ways that we never imagined a decade ago," said Cisco Senior Vice President Rob Lloyd. "Knowledge workers combined with IT can change customer experiences."

The report, which was compiled by the Economist Intelligence Unit, said product customization, personalization and higher quality would drive customer choices even as technology makes the automation and speed of transactions faster and easier.

Customer spending power was expected to remain firm due to a steady increase in the education and technical abilities of the workforce in the United States in particular and in and other industrialized nations.

On the downside, the majority of new U.S. jobs will likely come in the service sector, which tends to pay lower salaries. In addition, Europe and Japan still face nagging challenges due to low productivity and aging workforces.

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