

# OECD FORUM 2007



## *Innovation and Equity – Partnerships for Progress*

By Professor John Hearn, The University of Sydney

**T**he Asia Pacific Region will experience substantial growth in economic and social development over the next 30 years, with 60% of the world's total human population of 9 billion people living in the region. Innovation and enhanced equity, in politics and law, business and employment, research and higher education, will be essential. The rise of China and India, together with the progress of other developed and less developed nations, depends on innovation and equity while sharing of the benefits and managing the risks of globalization.

**A**ustralia, as a country with a fine record in innovation activity (rising 30% since 1990) in health, education and business, as well as in its legal, financial and regulatory institutions, will play a significant part as a thought leader, strong friend and partner in the region. The attributes of Australians as hard working but relaxed in a country that is culturally integrated, safe, with an attractive climate, unique biodiversity and a broadly fair and equitable society, can help in further economic, environmental, social and cultural development.

**A**ustralia must stay in the front line as an integral part of the brain, eyes and ears of Asia and the world and not too much as a land of beaches and barbecues somewhere down there in the southern ocean, although we have that as well.

**C**ompetition is fierce in the world wide acquisition and transfer of knowledge. The challenges that call for innovation and equity are equally fierce. These challenges include the sustainability of environment and climate, rural reform, food and water, emerging diseases and security, population balance and aging, employment and jobs, to name but a few. OECD data predicts that between 2006 and 2020, the numbers of students in higher education will grow from 50 to 75 million worldwide. The numbers of international students will grow over this period from 2.6 to over 5 million, a potent and growing force for international partnership, understanding and peace.

**T**he Chinese Government, in its 2005-2010 National Plan, highlighted rural reform, education, science and technology, innovation and internationalisation. The Indian government, in a different and devolved structure, has emphasized similar objectives and standards. Both, along with other Asian nations such as Japan, Korea, Singapore and Malaysia, are taking global leadership and making major contributions towards innovation in the new knowledge economies. Equity is essential for success.

**C**ritical to success are higher education and life-long learning in producing the thinkers who can dig deep for new knowledge while integrating this knowledge to address the challenges for the benefit of people in the region and the world.

**A**ustralia will need to maintain and increase its investment and its enviable record in higher education and research, which was slipping below the OECD mean as others ramp up rapidly. The good news is that on May 8<sup>th</sup> in the 2007 budget, the Australian Government made a further, major investment in research and higher education.

**T**he Kangaroo, fast, flexible and wonderfully adapted to its environment in its locomotion, reproduction, nutrition and behaviour, is also a valid icon and model for Australian excellence in innovation.

**T**hree examples of recent innovations from Australia that have potential for lifting economic, social and environmental health are in:

- (i) Biomedical and health research and applications, including the Nobel prize winning antibiotic treatment of duodenal and gastric ulcers; and the recent release of Gardasil vaccine against papilloma virus;
- (ii) Solar energy technologies that have led to the highly successful establishment (and floating on the New York Stock Exchange) of Suntech in China and several other companies elsewhere; and
- (iii) More broadly, the active Australian approach to APEC and bilateral FTAs, which promise to reduce barriers and improve economic access through informed dialogue and understanding.

**T**here are many more examples in the pipeline.

**T**he OECD itself has played an innovative and effective role as a global think tank with its Directorates, Centres and special programs, statistics and analysis, especially with governments and economic institutions. For example in education, the work of the Centre for Educational Research and Innovation is influential, but there is substantial scope for improved communications and more seamless partnerships with governments, business and the leading world research universities to increase the operational transition and effectiveness of its work.

**O**ne initiative that would facilitate greater innovation and equity, perhaps in tandem with UNESCO, would be a strategic exchange and training program that facilitates the movement of established and emerging researchers between OECD countries themselves – and appropriately with less developed countries where so many of the challenges requiring innovation and equity remain – to accelerate implementation and impact.

**T**he Director General of OECD Angel Gurría has announced a new Innovation Strategy. In its Partnerships for Progress, I suggest that the E in OECD can evolve innovatively to integrate Economic, Education, Environment and Equity to achieve the Millennium Development Goals.

**A**cknowledgements: I thank Professors Bill Ford (economic and business development) and Martin Green (solar energy) from the Universities of Sydney and New South Wales and the Bronte Surf Club; and Professor Jo Ritzen (higher education), President of Maastricht University, for our discussions. I am grateful to John West of OECD for advice and to my colleague Senice So for assistance with research.