Symposium on Innovation and Inclusive Growth

Agenda

20-21 March 2014
OECD, Paris, France

THE GROWTH DIALOGUE
A Voice Fostering Economic Growth

OECD
BETTER POLICIES FOR BETTER LIVES
Innovation and information and communication technologies (ICTs) are central to economic growth as well as to help address social challenges. The Digital Revolution, including the emergence of Internet and the fundamental transformations brought about by digital social networks, has accelerated innovation, raised productivity, and irreversibly transformed the nature of jobs and the role cities play as nodes in the global economy and economies more generally.

Those changes and the innovation policies adopted in response have been most frequently assessed in terms of their impact on aggregate income growth. However, their impacts are unlikely to be “neutral” as they might affect individuals and groups in society to different extents (“social inclusiveness”). All individuals and businesses are not on an equal footing regarding innovation capacities and access to the corresponding benefits (“industrial inclusiveness”). Moreover, policies aimed at promoting innovation affect the geographic dimensions of industrial and social inequalities and underpin inequalities between urban and rural areas (“territorial inclusiveness”). Therefore, it is important to consider the social, industrial and territorial implications of innovation policies as well.

ICTs promise to democratize innovation, i.e. expand the circle of individuals and firms who successfully engage in innovation. Innovation policies that can effectively support this process include policies that strengthen the skills base needed for innovation, and encourage inclusive innovations (innovative goods and services that improve welfare of lower-income groups). A variety of ICT-based applications have, for instance, brought fundamental changes to disadvantaged groups including also certain rural communities in emerging and developing countries.

The Objective of the Symposium and the Key Questions It Seeks to Address

The objective of this conference is to identify key policy principles by bringing together leading experts and policy makers from advanced, emerging and developing economies to discuss the critical challenges that need to be addressed for innovation to support inclusive growth. These questions are as follows:

1. What are the impacts of innovation and innovation policy on industrial, social and territorial inclusiveness?

2. How can inclusive innovation initiatives be expanded to improve welfare and facilitate the democratisation of innovation?

3. What are key implications for policy? What can be done to support the successful implementation of novel approaches to policy to effectively support inclusive growth?
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## Agenda

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<td>08.30am-09.00am</td>
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<td>09.00am-09.30am</td>
<td><strong>WELCOME</strong></td>
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<tr>
<td></td>
<td>- <em>Danny Leipziger</em>, Managing Director, Growth Dialogue</td>
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<td>- <em>William C. Danvers</em>, Deputy Secretary General, OECD</td>
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<td>- <em>Raj Nallari</em>, Manager, World Bank Institute</td>
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<td>09.30am-9.45am</td>
<td><strong>SETTING THE AGENDA</strong></td>
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<td>- <em>Dominique Guellec</em>, Head of Division, Directorate for Science, Technology and Industry, OECD</td>
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<td>09.45am-11.15am</td>
<td><strong>SESSION ONE: INNOVATION AND INCLUSIVE GROWTH</strong></td>
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<td>The session will discuss inclusive growth dynamics and the role of innovation in this process. Questions include: How does innovation impact industrial and social inclusiveness? How important is industrial inclusiveness i.e. the active participation of SMEs in the innovation process, for social inclusiveness? What is the relationship between innovation corresponding to greater industrial inclusiveness and innovation aimed at competing on global markets? Can a large group of dynamic small-scale innovators be as much a source of growth as can the performance of a few large firms?</td>
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<td><em>Chair: Danny Leipziger</em>, Managing Director, Growth Dialogue</td>
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<td><strong>Speakers:</strong></td>
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<td>- <em>Luiz de Mello</em>, Deputy Chief of Staff of the Secretary- General of the OECD: <em>Presentation of the OECD Inclusive Growth Initiative</em></td>
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<td>- <em>Manuel Trajtenberg</em>, Tel Aviv University, and Chairman, Planning and Budgeting Committee, the Council for Higher Education, Israel</td>
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<td>- <em>Poh Kam Wong</em>, NUS, Singapore</td>
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<td>11.15am-11.45am</td>
<td>Coffee Break</td>
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**SESSION TWO: INNOVATION AND INEQUALITY**

The session will reflect on how innovation can lead to industrial and social inequality and on what policy can do to distribute the fruits of innovation more evenly. Questions include: What are the impacts of traditional innovation policy instruments on industrial and social inclusiveness? Should innovation policy sacrifice growth impacts for distributional impacts? Do successful innovation policies necessarily require sacrificing either growth or distributional impacts? Are there amendments to the traditional instruments that would allow for better growth-inequality trade-offs?

*Chair:* Luiz de Mello, Deputy Chief of Staff of the Secretary-General of the OECD

*Speakers:*
- Andres Rodriguez-Pose, London School of Economics
- Caroline Paunov, Directorate for Science, Technology and Industry, OECD
- Venni Krishna, Centre for Studies in Science Policy, Jawharlal Nehru University, India
- Pierre Mohnen, UNU Maastricht Economic and Social Research Institute on Innovation and Technology

**12.45pm-02.30pm**  
Lunch Break

**02.30pm-03.00pm**  
Keynote speech: R A. Mashelkar, President of the Global Research Alliance and National Research Professor, India

**SESSION THREE: SCALING UP INCLUSIVE INNOVATION ACTIVITIES**

Inclusive innovations have allowed lower-income individuals to improve their welfare and low productivity entrepreneurs and firms to boost their economic performance. Questions include: Why are inclusive innovations often not scaled up, e.g. market or government failures, insufficient market size, lack of capabilities, etc.? What can be done to ensure scaling up? Is there a role for government? What processes can be implemented to support those inclusive innovations (as e.g. services aimed at improving education) that support the democratisation of innovation?

*Chair:* Dirk Pilat, Deputy Director for Science, Technology and Industry, OECD

*Speakers:*
- Adrian Smith, Science Policy Research Unit, University of Sussex
- Natalia Agapitova, World Bank
- Imraan Patel, Department of Science and Technology, South Africa
- Jaideep Prabhu, Judge School of Business, Cambridge University

**04.15pm-04.30pm**  
Coffee Break
SESSION FOUR: EDUCATION, SKILLS AND EARNINGS

Empowering individuals to acquire new skills is critical for them to engage more effective in innovation processes as skills are complementary with innovation and technological change. Questions include: How can education systems best provide individuals with the right skills to avoid exclusion? Is an emphasis on excellence needed for international competitiveness and, if so, how can it be reconciled with the objective of inclusivity notably in terms of earnings?

Chair: Raj Nallari, Manager, World Bank Institute

Speakers:
- Ishrat Husain, Institute of Business Administration, Pakistan
- Manuel Trajtenberg, Tel Aviv University and Chairman, Planning and Budgeting Committee, the Council for Higher Education, Israel
- Alfonso Echazarra, Directorate for Education and Skills, OECD
- Shahid Yusuf, Chief Economist, Growth Dialogue

Day 2: Friday, March 21, 2014

SESSION FIVE: THE GEOGRAPHY OF INNOVATION AND ITS RAMIFICATIONS

The way in which innovation activities are concentrated in certain regions or urban areas within countries has implications, notably for those located at the economic centre and those at the periphery. Questions include: What combination of policies and institutions contribute to innovation in some regions? What can territorial policies do to integrate excluded groups better into innovation activities on-going in the more dynamic regions? How should innovation policies' aims and instruments adapt to geographical diversity in innovation capabilities? To what extent are ICTs facilitating territorial inclusiveness?

Chair: Shahid Yusuf, Chief Economist, Growth Dialogue

Speakers:
- Eduardo Bitran, University Adolfo Ibañez, Chile
- Joaquim Oliveira Martins, Head of Division, Directorate for Public Governance and Territorial Development, OECD
- Xiaolan Fu, University of Oxford
- Jeremy Howells, University of Southampton

Coffee Break
### SESSION SIX: POLICY PANEL

The session will seek new ideas and insights into the policy process that can better equip governments to pursue innovation policies in support of inclusive growth. The session will also discuss conditions for the successful implementation of novel policy approaches.

**Chair: Rajneesh Narula**, University of Reading

**Speakers:**
- *T. Orozco de la Cruz*, Director, National Planning Department of Colombia
- *Dominique Guellec*, Head of Division, Directorate for Science, Technology and Industry, OECD
- *Mu Rongping*, Director-General of the Institute of Policy and Management (IPM), Chinese Academy of Sciences

**Discussant:**
- *Carlos Guaipatin*, Inter-American Development Bank

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**12.45pm-02.45pm Lunch Break**

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### SESSION SEVEN: WRAP-UP SESSION

This session will discuss the scope for and modalities of future collaboration between the OECD and the Growth Dialogue.

**Co-Chairs: Danny Leipziger**, Managing Director, Growth Dialogue, and *Dirk Pilat*, Deputy Director for Science, Technology and Industry, OECD
The Organisers

The symposium is a joint event of the OECD and the Growth Dialogue.

The Growth Dialogue is a successor to the independent Commission on Growth and Development led by Nobel Laureate Mike Spence. The Dialogue’s Managing Director, Danny Leipziger, was the Commission’s Vice Chair. The Growth Dialogue aims to illuminate global development challenges facing countries and their governments. It specializes in areas such as innovation policy, sustainable urban-led growth, employment and the distribution of income, and the role of the state. Its mission is to provide policy makers in developing and emerging economies with independent, unfiltered advice from other regions. It also brings the latest findings from empirical research, which can help governments address major growth challenges. The Growth Dialogue expands policy choices by connecting policy makers across regions and across generations to share practical policy lessons and experiential learning in a forum free of ideological and institutional constraints.

In response to the policy challenges many governments face regarding inclusive growth, the OECD Initiative on Inclusive Growth, which builds on the OECD’s work on growth, inequality and well-being, aims to inform policy making by identifying policy trade-offs and synergies for inclusive growth. It also seeks to reflect the needs, specific conditions and experiences of advanced, emerging and developing economies. The Initiative covers the entire spectrum of economic policies. With regards to innovation, the OECD is currently engaged in a project which seeks to provide evidence on the impacts of innovation and related policies on inclusive growth and develop concrete policy solutions to support countries in reconciling innovation and inclusive development agendas. Initial findings will be presented as part of the symposium. The findings will be presented in the form of a publication at a high-level conference in January 2015.
http://oe.cd/inclusive
www.growthdialogue.org

Contact: inno4dev@oecd.org