# INNOVATION DISPARITIES



#### **WORKSHOP: INNOVATION DISPARITIES**

#### 19 June 2019

#### Paris, OECD Headquarters

Workshop website: <a href="https://oe.cd/2yS">https://oe.cd/2yS</a>

#### Introduction

Innovation activities are unevenly distributed across space. While this is not a new phenomenon, with the digital economy innovation hot spots – generally dynamic urban areas as exemplified by Boston, London and Tel Aviv – have gained in importance as they bring together top talent, attract important financial resources for innovation and function as living laboratories for many digital service innovations. Such trends seem to be reinforcing over time, despite the fact that digital technologies allow for wider opportunities for accessing knowledge at a distance and engaging in collaborative research and innovation activities across geographical boundaries – which should in principle allow for wider dispersion of innovation activities.

Evidence shows that the dynamics of concentration are also in place at the industry and university level. Superstar researchers and inventors may have gained in importance in the digital age, as knowledge diffuses at large scale. Disparities at the industry level may also lead to 'dual economy' situations, where a small number of highly innovative and competitive firms coexist with a long tail of non-innovative ones. Such concentration of innovation performance affects the extent to which different individuals, firms, sectors and regions can successfully engage in innovation ecosystems.

The purpose of the workshop is to bring together academics, experts and policy makers to discuss what we know about the impacts of unequal distribution of innovation activities across firms, research institutions and regions on innovation outcomes and wellbeing, and to reflect about the implications for innovation policy.

Key questions to address are: To what extent are innovation activities concentrated or dispersed across regions, research organisations and firms? How are current innovation dynamics, in particular the digital transformation, changing the level of concentration or dispersion? What are the implications of different levels of dispersion for innovation outcomes and for wellbeing? Is there a rationale for innovation policies to address such disparities? If so, what are novel approaches to address them?

The outcomes of the workshop will directly contribute to the OECD projects on R&D intensity as a policy target and Effective co-creation for inclusive and sustainable growth, both conducted by the OECD Working Party on Innovation and Technology Policy.

This workshop is organised by the OECD Working Party on Innovation and Technology Policy (TIP).

#### **AGENDA**

#### **Opening**

9h30 - 9h45

- **Göran Marklund,** Deputy Director General and Head of Operational Development at VINNOVA, and Chair of the OECD Working Party on Innovation and Technology Policy+
- Andrew Wyckoff, Director, OECD Directorate for Science, Technology and Innovation

#### **Introduction to the workshop**

9h45 - 10h15

- Lukas Nüse, Project Manager, Sustainable Development Programme, Bertelsmann Foundation
- Caroline Paunov, Head of Secretariat for the OECD Working Party on Innovation and Technology Policy, OECD Directorate for Science, Technology and Innovation

#### **Keynote address**

10h15 - 10h45

• **Dominique Foray**, Chair in Economics and Management of Innovation, École Polytechnique Fédérale de Lausanne

#### 10h45-11h15: Coffee break

### Panel 1. Regional disparities in R&D in the digital age: top regions and the rest?

11h15 - 12h30

Questions to be addressed:

- How dispersed is R&D within countries? What are the implications of different levels of dispersion for innovation and for welfare?
- How are current innovation dynamics, including digital transformation, changing the level of concentration/dispersion?
- Is it desirable/possible/important for more regions to participate in innovation? What are good ways for making this happen?
- What are the implications of regional disparities for setting R&D intensity as a major policy target?

#### Speakers:

- Wade AuCoin, Director General, Policy Programs and Communications, Atlantic Canada Opportunities Agency, Government of Canada [by videoconference]
- **Alexander Lembcke,** Economist, Centre for Entrepreneurship, SMEs, Regions and Cities, OECD
- Jen Rae, Head of UK Innovation Policy, NESTA, UK
- Kirsten Kunkel, Forschungszentrum Jülich GmbH, Germany

#### 12h30-14h00: Lunch

#### Panel 2. Firm, university and sector disparities in R&D

#### 14h00-15h00

#### Questions:

- How dispersed is R&D across firms and universities? What are the implications for innovation and welfare of this dispersion?
- How are current innovation dynamics changing the level of concentration/dispersion of innovation, in particular in view of digital technologies?
- Is it desirable/possible/important for more firms/universities to participate in R&D? What are good ways for making this happen?
- What are the implications of firm and university disparities for setting R&D intensity as major policy target?

#### Speakers:

- **Robert D. Atkinson,** President, The Information Technology and Innovation Foundation [by videoconference]
- **Kadri Männasoo,** Professor and Head of the Department of Economics and Finance at Tallinn University of Technology
- **Fernando Hervás,** Deputy Head of the Unit in charge of Territorial Development, Joint Research Centre, European Commission

### Breakout session: Policy options to exploit the advantage of concentration while dealing with inequalities

15h00-16h30

#### Topic 1

International competitiveness and concentration vs. tackling within-country inequalities: Is there a **policy trade-off**?

Discussion lead:

- Ana Nieto, DG RTD TIP
  Delegate, Directorate-General for
  Research and Innovation,
  European Commission
- Sandra Planes-Satorra, Junior Policy Analyst, OECD Directorate for Science, Technology and Innovation

#### Topic 3

What are the right **policies** when it comes to supporting leading and weaker **universities**?

Discussion lead:

- Margherita Russo, Professor, University of Modena and Reggio Emilia, Italy
- Martin Borowiecki, Economist, OECD Directorate for Science, Technology and Innovation

#### Topic 2

What are the right **policies** when it comes to supporting leading **and weak regions**?

Discussion lead:

- Agni Spilioti, Director, Policy Planning Directorate, Ministry of Education, Research and Religious Affairs, Greece
- Andres Barreneche, Economist, OECD Directorate for Science, Technology and Innovation

#### Topic 4

What are the right **policies** when it comes to support leading and weaker sectors/**firms**?

Discussion lead:

- David Legg, Lead Specialist for Evaluation and Evidence, Innovate UK & Vice Chair of the OECD Working Party on Innovation and Technology Policy
- Greta Ravelli and Maria Fernanda Zamora, Trainees, OECD Directorate for Science, Technology and Innovation

16h30-17h00: Coffee break

### Panel 3. How should sustainability and inclusiveness be integrated in STI strategies?

17h00-18h00

Disparities in the geographic distribution of economic activities can raise economic challenges (lack of diversity, lack of competition, etc.) but, most importantly, they affect welfare and consequently are important topics on the policy agenda. What is more, the outcomes of R&D are not just economic but also have diverse impacts on inclusiveness and sustainability. The final panel will reflect on how STI strategies should include those priorities and to what extent this is happening in the current context.

#### Speakers:

- Martin Lees, Former UN ASG for Science and Technology for Development; Chair of the OECD-IIASA Task Force on Systems Thinking, Anticipation and Resilience
- **Xiaolin Zhou,** Ph.D, National Center for Science and Technology Evaluation, Ministry of Science and Technology, China
- **Patrick Monfray,** Deputy Director of R&I Strategy, French Ministry of Higher Education and Research, France

#### **Concluding remarks**

18h00 - 18h10

• **Dominique Guellec**, Head of the Science and Technology Policy Division, OECD Directorate for Science, Technology and Innovation

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https://oe.cd/2yS



