







Inclusive Innovation Policies: Lessons from International Case Studies

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Information and Knowledge for All: Towards an Inclusive Innovation

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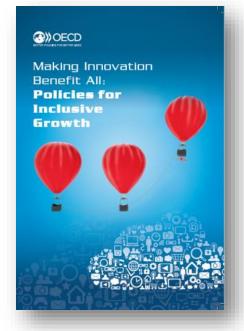


OECD project: Innovation for Inclusive Growth



Focuses on developing economies

How **innovation** can serve **inclusive development**, improving the welfare of **disadvantaged groups**, notably in terms of essential public services.



Focuses on **OECD** countries

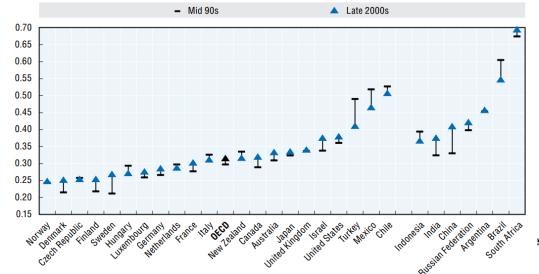
- How digital technologies can improve the welfare of disadvantaged groups
- How innovation policies can foster inclusive growth by increasing **participation** of disadvantaged groups in innovation activities.



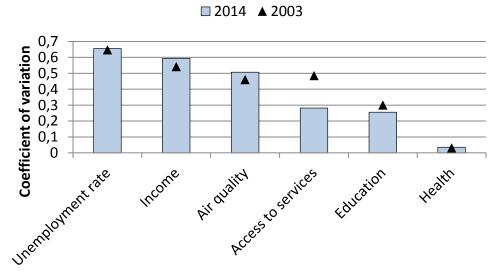
Inequalities have risen to unprecedented levels across OECD countries

- Richest 10% earn 10 times more than poorest 10%
- Increasing disparities driven by:
 - Rise in income of the top 1%
 - Decline at the <u>bottom 40%</u>

Increasing Gini coefficient of disposable income within countries



Rising disparities across OECD regions (TL2) in factors such as unemployment air quality





Innovation policies are central to growth agendas in most countries



... but have figured less prominently in strategies to promote **social inclusion**

What role can innovation policies play in promoting inclusive growth?



Inclusive Innovation Policies:



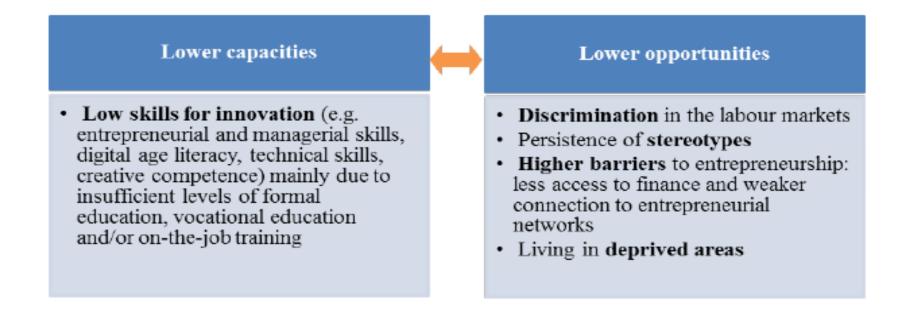
"Policies that help ensure disadvantaged groups of society have the capacities and opportunities to participate in innovation activities"

Allow disadvantaged groups to participate in the growth process



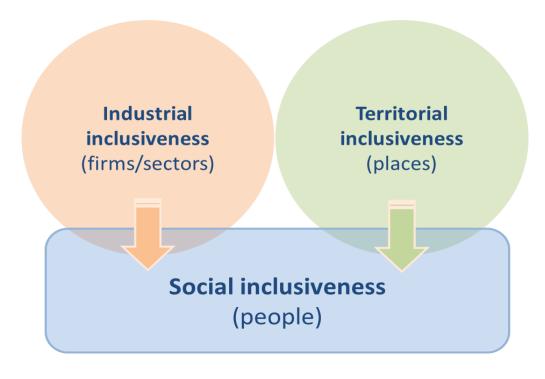
What is the target population of these policies?

Groups underrepresented in innovation activities, e.g. women, minority groups, disadvantaged social groups





They also target firms/sectors and regions with weak innovation capacities



Industrial and territorial inclusiveness closely relate to social inclusiveness: When innovation capacities are not widely distributed across sectors and regions, the well-being of some groups is negatively affected



A range of rationales justify the implementation of inclusive innovation policies

Inclusive innovation policies tackle the misallocation of resources in the economy due to inequality and exclusion

job creation and economic growth throughout all society





Sample rationales for implementing inclusive innovation policies

- Social inclusiveness
 - Reduce discrimination in labour markets by demonstrating potential of certain social groups & changing attitudes of employers towards them
- Industrial inclusiveness
 - Tackle "dual economy" challenges by improving the competitiveness of less innovative firms
- Territorial inclusiveness
 - Foster development of more productive activities, offering better opportunities for people



Japan: Social inclusiveness policy case Programme to support research activities of female researchers

Objective: Increase the number of women in leading positions in research, particularly in STEM.



Policy instruments:

- Funds to research organisations to develop and implement measures to improve the research environment for women
- Awareness raising activities in high schools and colleges



Israel: Industrial inclusiveness policy case R&D in Traditional Industries programme



Objective: Encourage traditional industries to invest in R&D

Policy instruments:

- Grants covering 50% of budget for the R&D project
- Professional counselling services



Chile: Territorial inclusiveness policy case *Prototypes for Social Innovation programme*

Objective: Solve regional social challenges through open innovation

Policy support:

- Calls for innovative solutions to local challenges on an online open innovation platform
- Grants to develop the proofs of concept/prototypes







Many challenges need to be addressed when implementing these policies

- 1. Ensuring the **involvement of target group** in policy programmes
- 2. Establishing appropriate **selection criteria** to reach the target group
- 3. Building **capabilities** among the target group to undertake activities promoted by the programme
- 4. Building the expertise for deploying the programme



An analysis of common implementation challenges and possible policy responses

Example: 1/2

Policy challenge	Ensuring involvement in policy programmes by target groups (e.g. Ideas for Change, Colombia)
Suggested policy responses	 Tailored outreach strategies (e.g. Thuthuka programme, South Africa)
	 Communicate objectives and activities by a member of the same community (e.g. Programme support research activities of female researchers, Japan)
	 Streamline administrative processes (e.g. Programme to support R&D traditional sectors, Israel)



An analysis of common implementation challenges and possible policy responses

Example: 2/2

Policy challenge

Building adequate expertise to deploy programmes

Suggested policy responses

- Involve **third parties** in addition to regional authorities in design of the programme (e.g. *Royalties for Science, Technology and Innovation programme*, Colombia)
- Set up a targeted recruitment process (e.g. Productive Territories Programme, Mexico)
- Provide tailored training to experts, mentors and counsellors (e.g. Kiút Programme, Hungary)



A few conclusions

- Innovation policies can contribute jointly with other policies to inclusive growth by fostering integration of disadvantaged groups in innovation activities
- They help tackling the misallocation of resources in the economy due to inequality and exclusion, fostering job creation and economic growth
- Specific implementation challenges need to be addressed for policies to be effective



Inclusive Innovation Policy Toolkit (available on the *Innovation Policy Platform*)

A practical and **interactive guide** to help policy makers design and implement effective innovation policies for inclusive growth

33 examples from 15 countries:



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Territorial Inclusiveness

Innovation policies for territorial inclusiveness target lagging and less innovative regions with the aim of narrowing the performance gap with leading innovation regions. They foster the innovation capacity of individuals and firms located in peripheral regions, as well as in disadvantaged neighbourhoods within large urban areas.

Click below to find innovation policies that address territorial inclusiveness challenges at the following territorial levels:



Regional policies



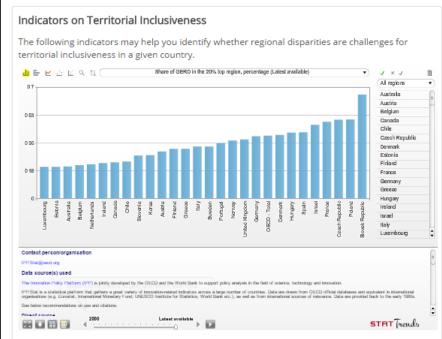
Local or community-oriented policies

Read on below to find **detailed information** and **country-specific statistics** related to territorial inclusiveness.

Did you know...?

Benefits from agglomeration explain why industries (and particularly, highly innovative industries) tend to concentrate spatially: geographical proximity facilitates knowledge spill-overs and interactive learning; stimulates the creation of a larger pool of labour, leading to better matching between worker skills and jobs; and facilitates access to specialised suppliers and services (Marshall, 1890; Krugman, 1991). As a result, regions holding the greatest concentrations of innovative sectors...Expand »





Inclusive Innovation Policy Cases by Country

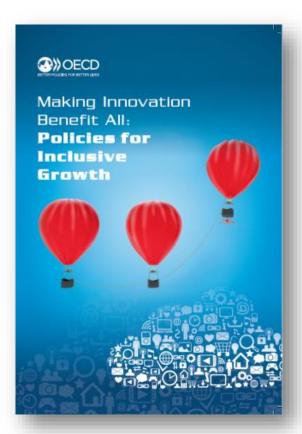


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Thank you!



Find the paper on the OECD iLibrary:

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Further information:

OECD "Innovation for Inclusive Growth" Project (http://oe.cd/inclusive) Inclusive Innovation Policy Toolkit (https://www.innovationpolicyplatform.org/inclusivetoolkit)

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