

Spurring Innovation in Latin America And Other Emerging Economies

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About ITIF

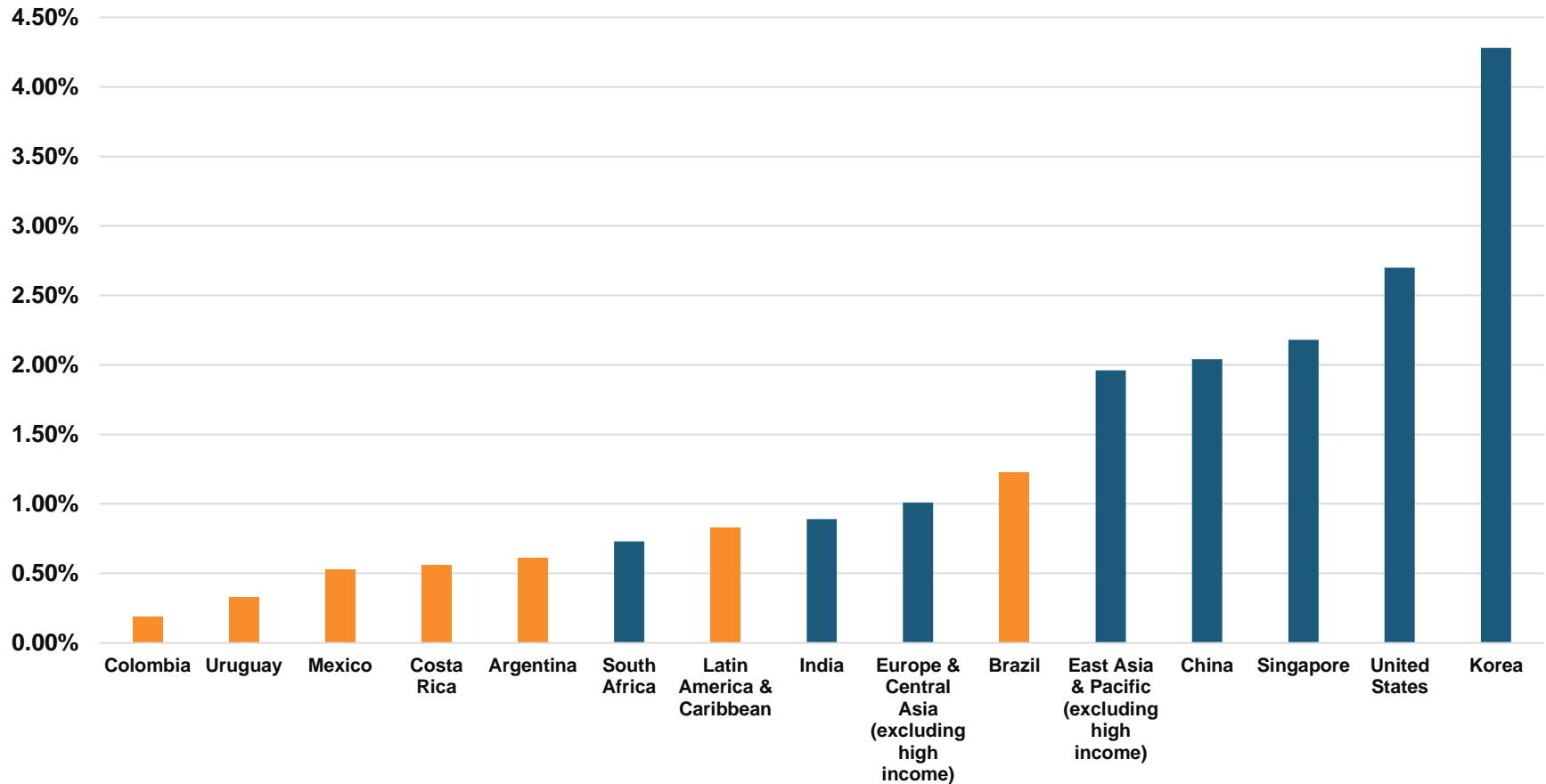
- Independent, nonpartisan research and education institute focusing on intersection of technological innovation and public policy, including:
 - Innovation and competitiveness
 - IT and data
 - Telecommunications
 - Trade and globalization
 - Life sciences, agricultural biotech, and energy
- Mission to formulate and promote policy solutions that accelerate innovation and boost productivity
- Ranked by University of Pennsylvania as top science and technology think tank in United States and number two in world

The Distinct Nature of Innovation-Based Industries

1. They compete by inventing *next-generation* products and services.
2. They are characterized by very high initial fixed costs (e.g., R&D/design), but low marginal costs.
3. They often depend on underlying platforms, esp. ICTs.
4. They embody and depend on intellectual property.

Increase National/Regional R&D Intensity

R&D Investment as Share of GDP



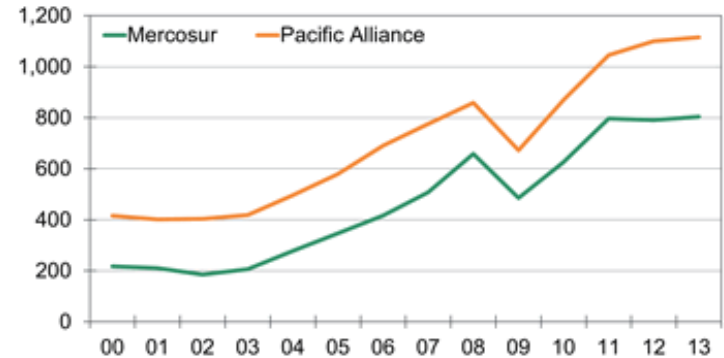
Source: World Bank, 2014 or most recent available year

Expand Latin American Free Trade Zones



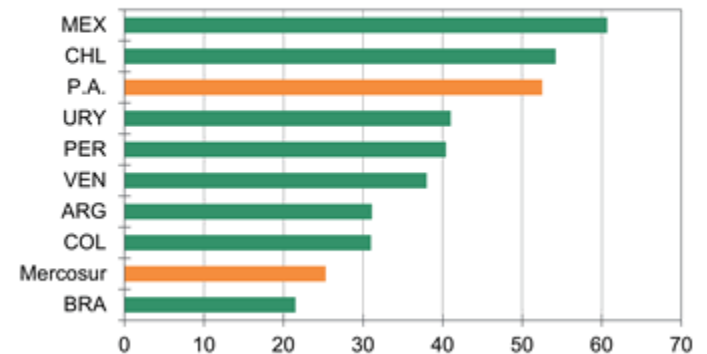
Pacific Alliance Exports Top Mercosur's

Total trade (exports + imports), USD bil



Pacific Alliance Boasts an Open Economy

Overall trade over GDP, %



Source: The Economist; Moody's Analytics/Economy.com

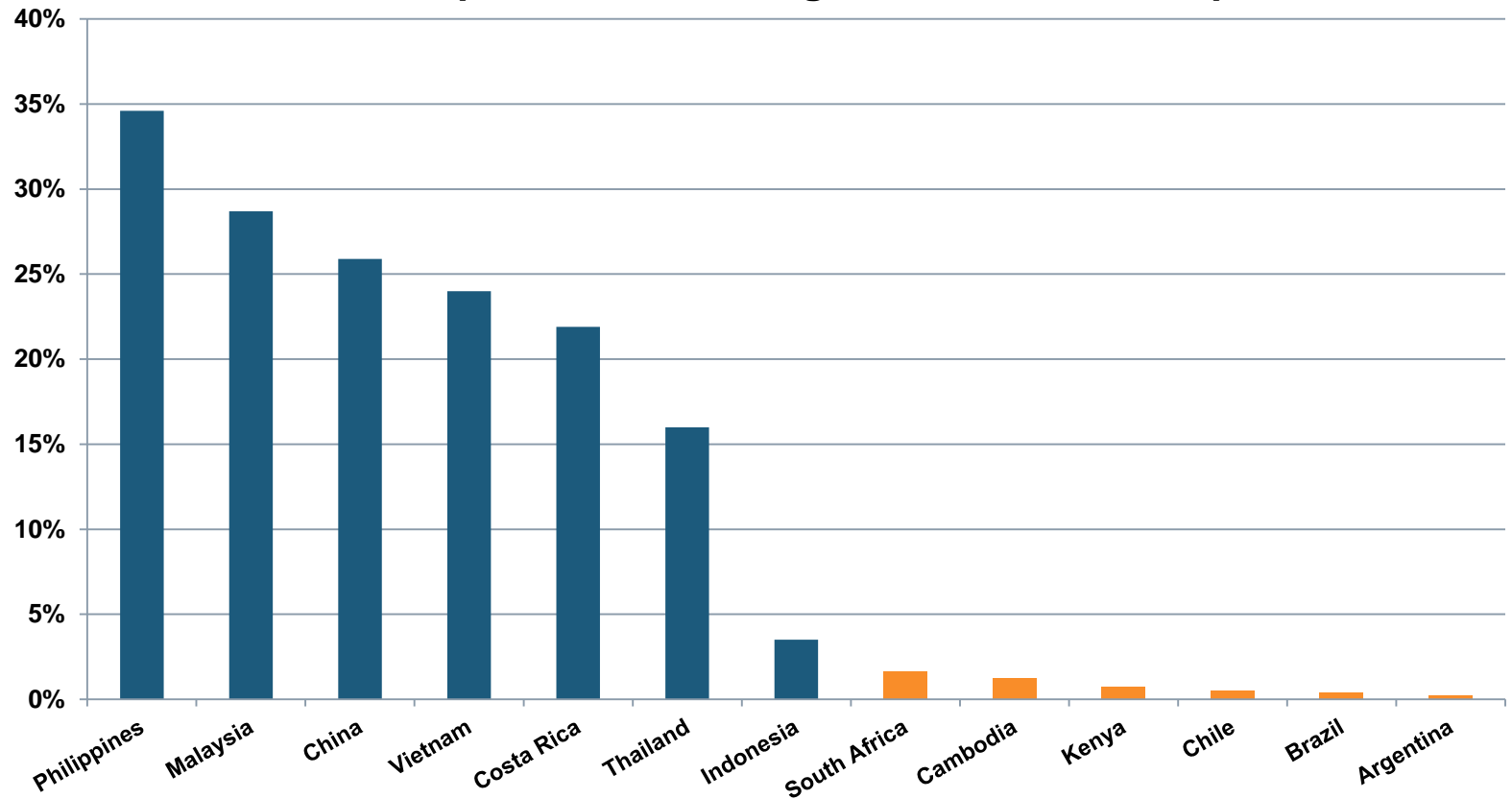
Reduce Tariffs on ICTs

Country	Additional Tariffs on ICT Products	Estimated Annual GDP Loss
Argentina	12.49%	0.9% to 2.0%
Brazil	12.24%	1.2% to 2.6%
Colombia*	4.08%	0.3% to 0.7%
Chile	3.84%	0.3% to 0.6%
Venezuela	2.80%	0.4% to 0.8%

Source: Robert D. Atkinson and Ben Miller, "Ranking 125 Nations by Taxes and Tariffs on ICT Goods and Services," Figure 2, Appendix B.

ITA Facilitates Participation in ICT GVCs

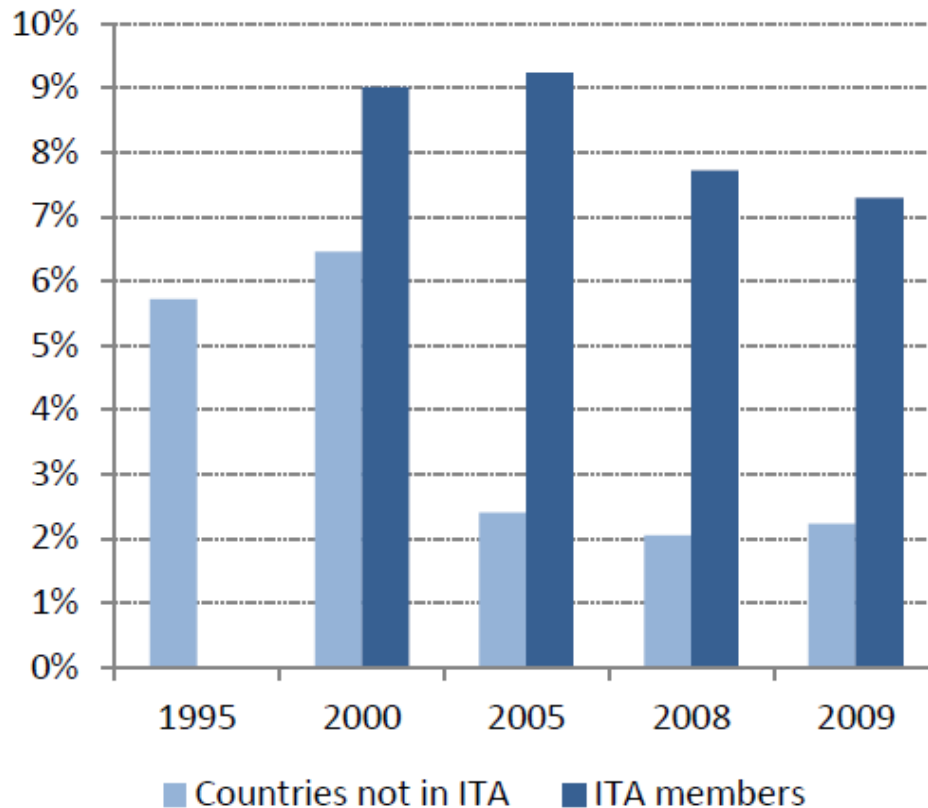
ICT Goods Exports as Percentage of Total Goods Exports, 2014



Source: World Bank

ITA Facilitates Participation in ICT GVCs

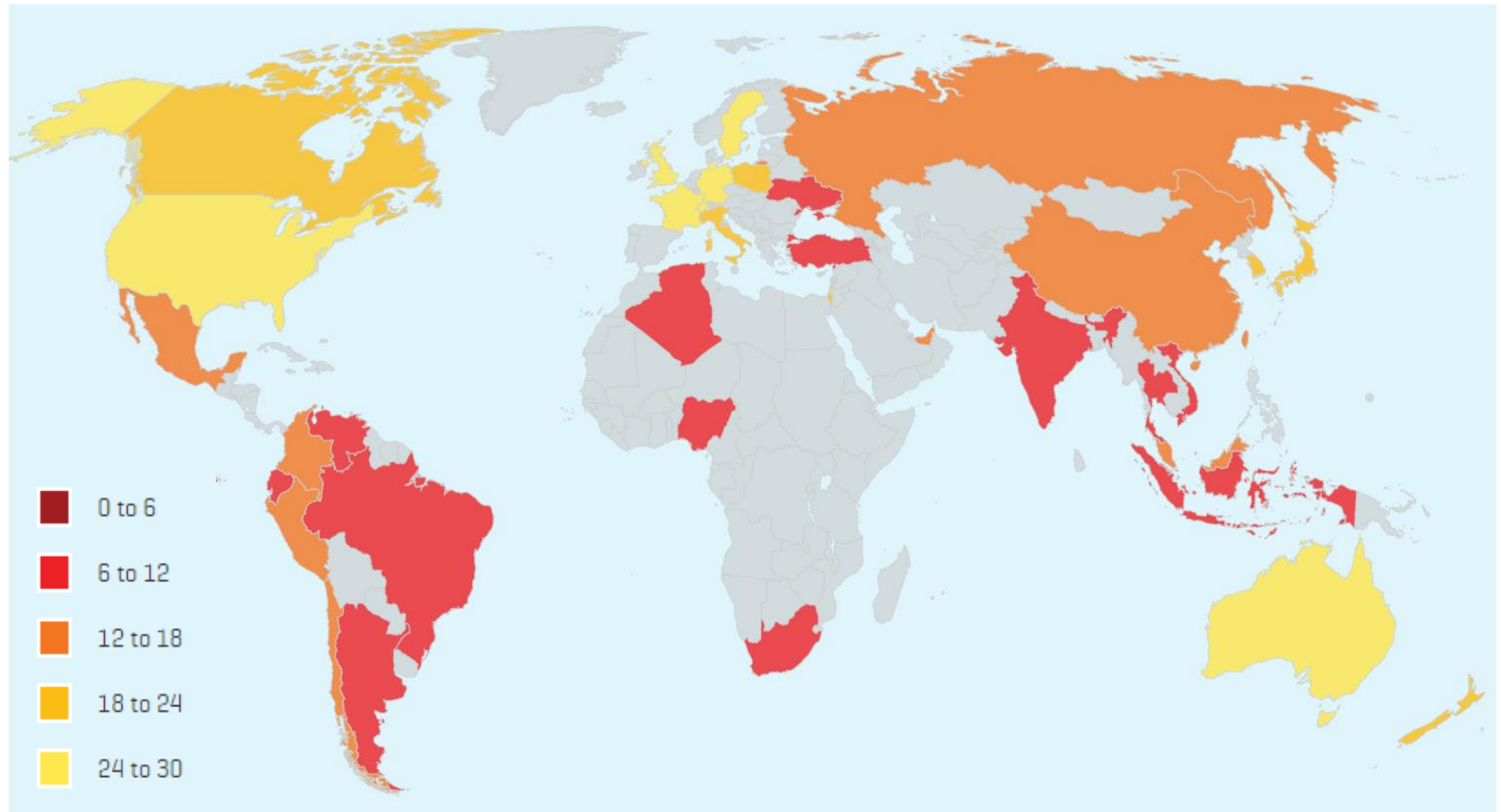
Membership and Participation in ICT GVCs



Source: OECD, *Implications of Global Value Chains for Trade, Investment, Development, and Jobs*, 2013

Protect Intellectual Property Rights

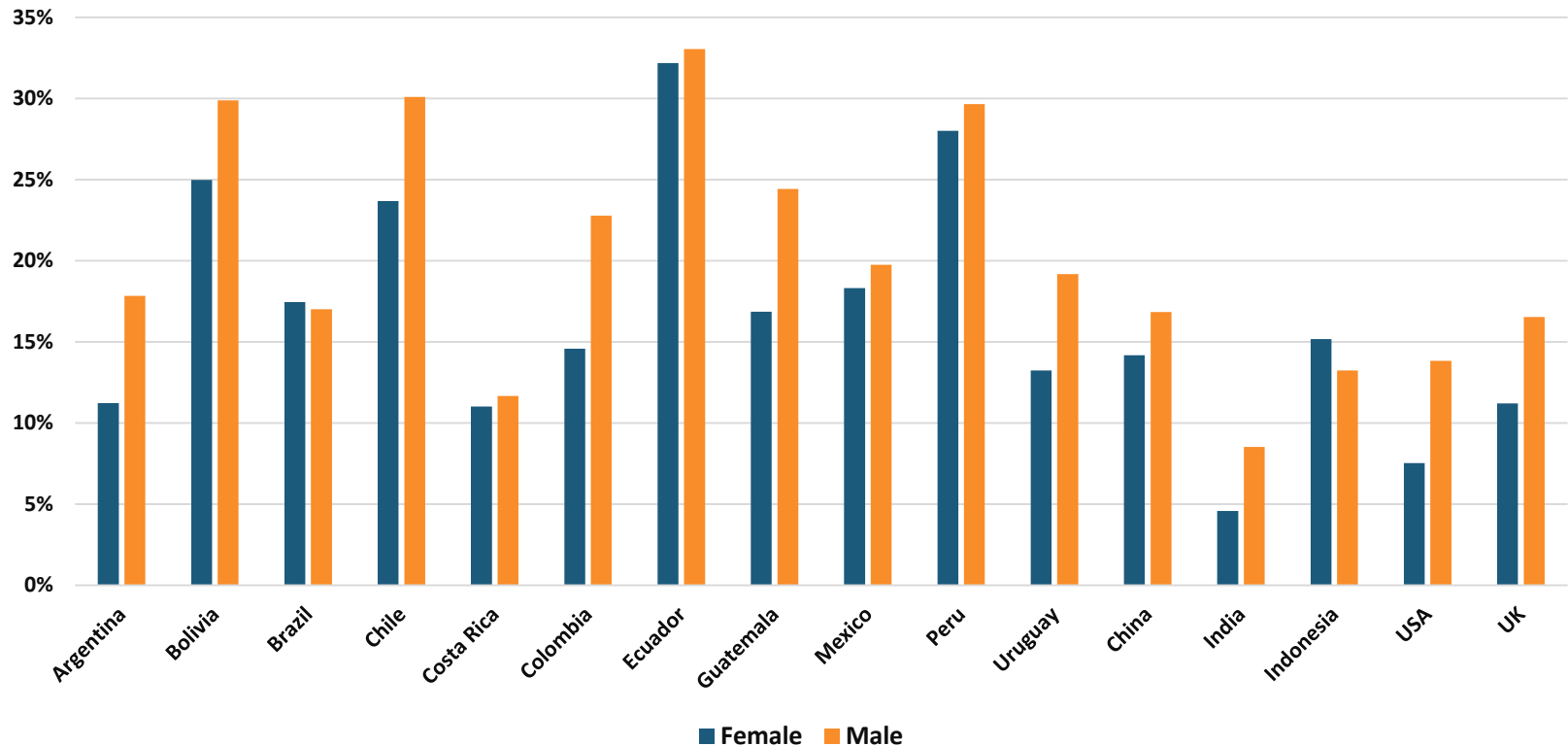
2016 International IP Index Rankings



Source: U.S. Chamber of Commerce, *International Intellectual Property Index*

Women Are an Underutilized Innovation Resource

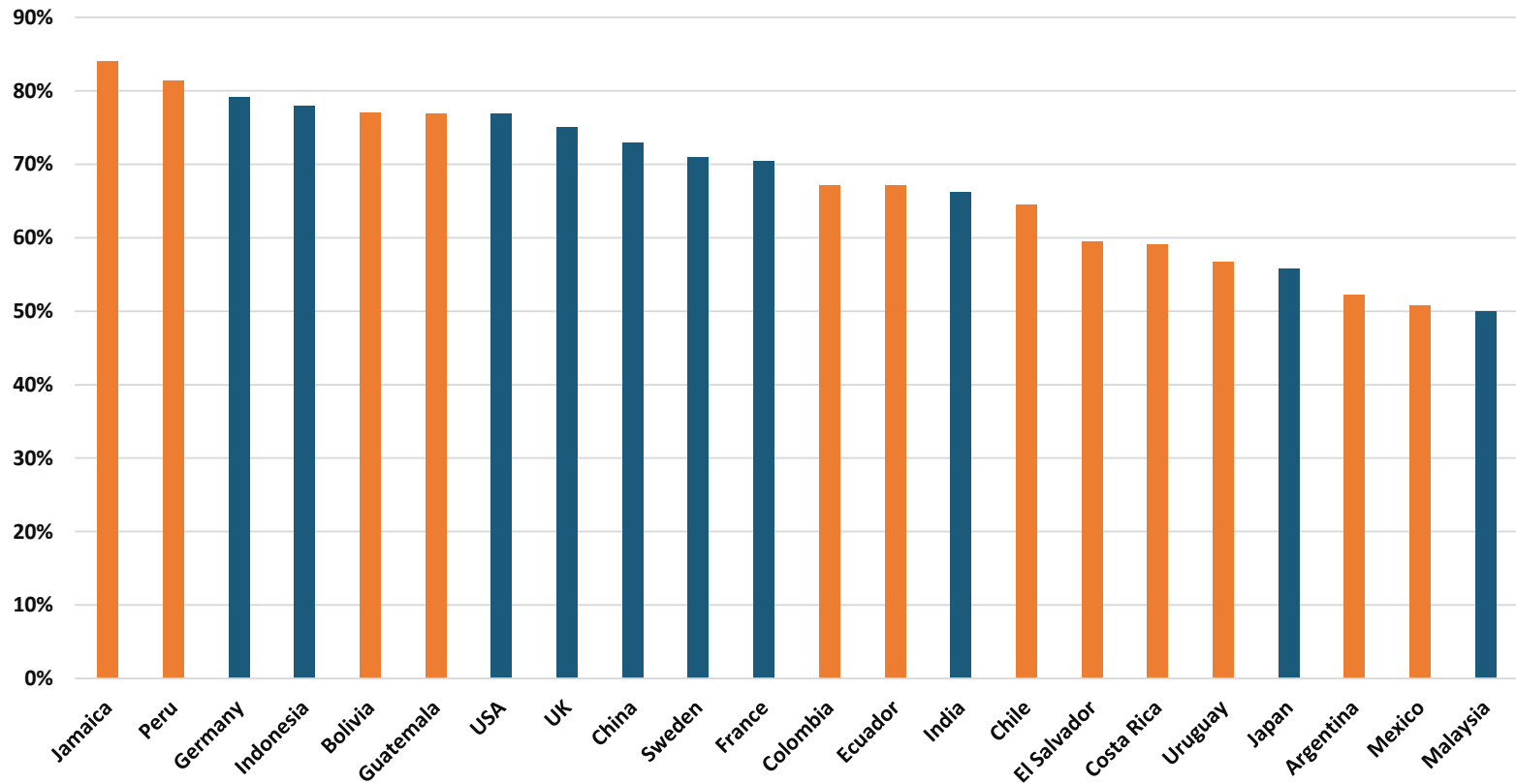
Total Early-Stage Entrepreneurial Activity, Select Countries



Source: 2015/2016 Global Entrepreneurship Monitor Report

Encourage Entrepreneurship and Risk Taking

Successful Entrepreneurship Enjoys High Societal Status



Source: 2015/2016 Global Entrepreneurship Monitor Report

Innovation Policy Insights for Emerging Economies

- Specialize in areas of unique competitive strength.
- Turn universities into engines of entrepreneurship and innovation.
- Encourage greater academic/industry collaboration.
- Increase national R&D intensity, particularly that for industrially relevant R&D activities.
- Increase education expenditures, esp. for STEM ed.
- Expand access to training/mentoring on innovation methods and techniques; including in government.

Join The Global Trade and Innovation Policy Alliance



Digital Trade

[The False Promise of Data Nationalism](#)

This report argues that calls to keep data within national borders are misguided and ineffective in making data more secure.

International Economic Institutions

[Building the Global Innovation Economy](#)

This The Futurist article explores reforms that need to be made to global international economic institutions so that they can become greater champions of global innovation.

Trade and Development

[A Policymaker's Guide to Spurring ICT Adoption](#)

ITIF's new guide gives policymakers around the world a policy checklist to spur ICT adoption.

Trade and Intellectual Property

[The Imperative of Protecting Life Sciences Innovation In the TPP](#)

To ensure the Trans-Pacific Partnership (TPP) Agreement creates a framework in which life sciences innovation flourishes throughout the TPP region, it needs to include 12 years of data protection for novel biologic drugs.

Innovation Mercantilism

[Green Mercantilism: Threat to the Clean Energy Economy](#)

Global energy innovation is being undermined by unfair trade practices.

Trade Agreements

[The ITA Expansion Deal on the Table Benefits Korea](#)

Expanding the Information Technology Agreement can bring significant benefits to Korea's economy.

Trade and Innovation

[Competitiveness, Innovation and Productivity: Clearing Up The Confusion](#)

ITIF explains the difference between competitiveness, innovation and productivity in this policy memo.

Trade and Manufacturing

[An Alternative to Mercantilism: Manufacturing Extension Services in Latin American and Caribbean Countries](#)

SME manufacturing extension programs are boosting innovation and growth in Latin American and Caribbean nations.

- C.D. Howe Institute (Canada)
- The Center for Global Enterprise (U.S.)
- *Center for Social and Economic Research (Poland)*
- Competere (Italy)
- *Fundación Idea (Mexico)*
- Geneva Network (UK)
- *ICRIER (India)*
- ITIF (U.S.)
- The Legatum Institute (UK)
- The Lisbon Council (Belgium)
- Shanghai Institute of Science and Technology Policy (China)
- Swedish Agency for Growth Policy Analysis (Sweden)
- *Tic Tac de la CCIT (Colombia)*

Muchas Gracias!

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