

## **Panel Discussion**

## Is there a tradeoff between innovation and inequality in developing countries?

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## Issues for the debate

In Globelics, we use the term <u>innovation</u> broadly, to point to learning, innovation, and competence-building systems. But most of the policy contexts we try to address use it in a narrower sense. In most countries, innovation policy is all about economic growth through new technologies, new firms, expanding businesses, and global competitiveness. In this vision, countries as a whole are in competition with each other. Their scores appear in standard growth figures as well as in the specialized indexes of so-called "technological capacity." S&T policymakers in "the national innovation system" all seem to want to bring "the knowledge economy" to their countries, with more computers and higher skill jobs.

<u>Inequality</u>, by way of contrast, is the polarization of lives, the gap that opens up as the top end of an economy takes off and the bottom stays where it was. Inequality in the global economy is the international jet set taking off over urban slums; in vitro fertilization while millions of children die from bad water; biofuels quotas in Europe and rural starvation in Africa. Inequality in South Africa in 2008 is a black mother walking a kilometer or more for piped water that only comes two hours a day in her village -- which is next to a huge, white-owned farm with steady irrigation; or a household worker taking the same pre-dawn train that has carried workers to the cities from the township for decades, while university professors drive BMWs. Inequality in the United States is Katrina victims left in the exhaust of the sport utility vehicles driving out of New Orleans. We can all fill in the scenes from our own countries.

Is there a tradeoff between innovation and inequality in developing countries? Is inequality the inevitable price to be paid for economic growth? Does the top end have to speed upwards? Can we count on the bottom eventually moving up, too?

What does the broader, GLOBELICS meaning of innovation have to say on these issues? Are learning, innovation, and competence building confined to "the knowledge economy"? What kinds of innovations happen in villages and slums? Do they receive the attention and resources that conventional science and technology receive, even in developing countries? Could innovation mean inventing a social and political system that not only generates prosperity but sets the conditions for it to be shared widely? Whose

voices would need to be heard if such a system were to emerge? Are they being heard now in STI policy discussions?

The participants in this panel will articulate their own questions within this theme, and provide their own answers drawn from their own experiences.