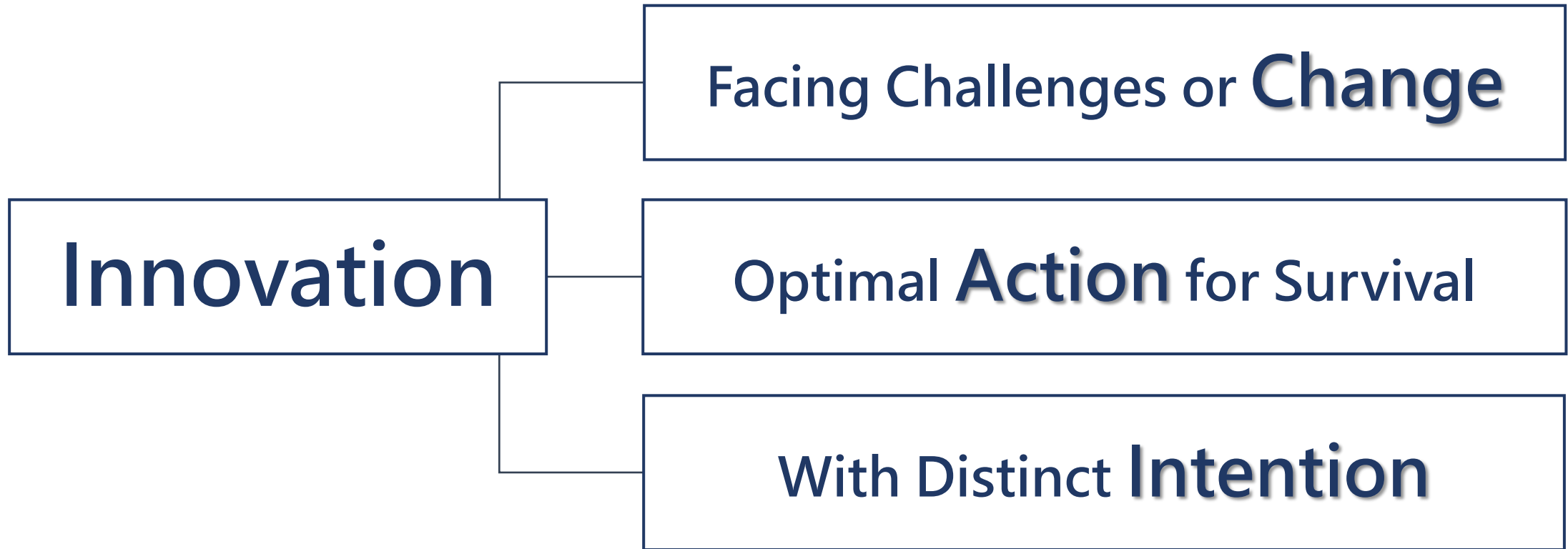


# How Do Governments Work In the Pool of Innovation?

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# What is Innovation?

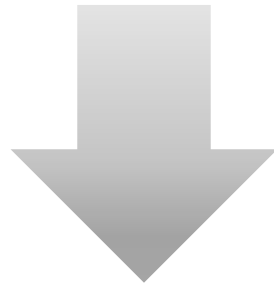


# Suggested Role of Government

- Providing Infrastructures including Institutions and Resources
- Accepting New Demands and Changing Existing Norms
- Facilitator : Mediating Different &/or Conflicting Interests
- Public Sector as a Test-Bed for Innovation
- Securing Intellectual Property Rights (IPRs)

# 1. Providing Infrastructures

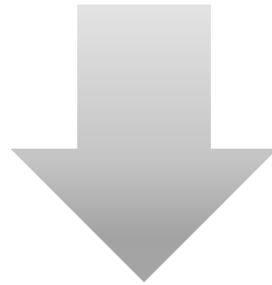
- Innovations require social infrastructures.
  - Man, Culture, Institution, R&D, Finance, Reward ...



- **Governments** should provide **infrastructure, institution, resources** for innovation. (Education, Finance, Regulation Systems etc.)

## 2. Accepting New Demands

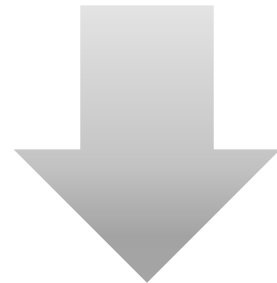
- In some instances, public sectors might inhibit innovations due to existing social values and norms.
  - A Case of Construction an LNG Importing Port : Public Acceptability



- Regulation is **not** the only way to solve problems. Government should remove obstacles, **reconcile the new demands of innovation with existing practices**, and sometimes **change existing norms**.

# 3. Facilitator : Mediating Different Interests

- Innovations have both positive and negative externalities.
  - Emerging Retailing Platforms : Solving the Suffering of Mom & Pop Stores



- Government should enhance the acceptability of innovations and solve negative externalities by **mediating conflicting interests**.
- Not as provider, regulator, or assistant, but as **Facilitator**

# 4. Public Sectors as a Test-Bed

- Public sectors can serve as a test-bed for innovation.
  - Defense technology during war (radar, aircraft, etc.)
  - Artificial intelligence technique in patent examination
- Public sectors can be a market for innovation in early stages.
- These lead to **self-innovation of public sectors** and **social transmission of innovation**.

# 5. Intellectual Property Rights (IPRs)

- Innovation is an action to overcome challenges and survive. For innovation, creative ideas are a crucial part.
- Ideas can be protected by **IPRs**. IPRs give an exclusive right over the use of ideas and forbid others from copying them.
- IPR governance is the social system to **enhance or keep the competitiveness of innovators**.



| Thank you.