February 2023 GTIPA Newsletter

Important Announcements

The Austrian Economics Center is organizing an event series called "Is the new standard worth striving for?" in cooperation with over 100 leading think tanks and universities visiting several cities across the globe between March and May.

The European Resource Bank is organizing a meeting between the 14th and 16th of April in Porto about prosperity, innovation, and politics in collaboration with the Austrian Economics Center and the Instituto +Liberdade.

Latest GTIPA Publications

Trade and International Relations

Several GTIPA members focused on the international aspect of competitiveness, with a special emphasis on Chinese dependency. The German Economic Institute evaluated the level of German dependency on China in several industries, concluding that the electrical industry is strongly dependent on the intermediate input level, which can be mitigated by diversifying trade relations, but that most German industries are not
outstandingly dependent on China. The Bay Area Council Economic Institute assessed the economic relationship and trade disputes between the United States and China, also summarizing key policies that may further aggravate the relationship through export controls, research collaboration restrictions, stock exchange delistings, and investment limitations. A Hinrich Foundation report highlights that Europe is dependent on China in the green technology industry, including solar panels, wind turbines, electric vehicles, and batteries due to their low costs, which poses a challenging dilemma of whether to utilize Chinese resources or avoid increasing unwanted dependency.

Apart from China, GTIPA members also examined policy challenges in the European Union, the Indo-Pacific, and the oil industry among others. The German Economic Institute analyzed the potential impact of the European Commission’s tax harmonization attempts, which could lead to a noticeable tax revenue decrease, especially in the case of small countries. The Macdonald-Laurier Institute’s article explains Canada’s Indo-Pacific Strategy, which is an expansion of the country’s already growing economic relations between Japan and the world; these partnerships aim to realize peace, stability, and prosperity for countries with common values of freedom, rule of law, and a market economy. The Austrian Economics Center exhibited the oil market’s outlook in 2023, examining the most-decisive factors that determine oil prices such as sanctions, trade routes, geopolitics, central banks actions, and China’s return to the market after the sudden abandonment of its zero-COVID-19 policy.

Domestic Competitiveness Policies

GTIPA members wrote several competitiveness policy advice pieces for North American governments. An ITIF commentary argues that the United States has lost its lead in innovation due to America’s neoliberal economic policy trap, and that if Washington does not respond with an advanced industrial strategy, then the United States will lose its technological advantage and global leadership. The Bay Area Council Economic Institute found that, in the Bay Area, cities that utilize a progressive gross receipts tax create a significantly higher tax burden for large corporations compared to counterpart cities that tax based on employee headcount; and the gap is wide enough that it likely impacts corporate location decisions. The C. D. Howe Institute’s report argued that a government-funded research program that supports small businesses in the U.S. is inefficient, because of inaccurate program
design; the report also found that if financially constrained firms apply, then it increases the impact of necessary government funding. A Macdonald-Laurier Institute paper assessed some strategic objectives of Alberta, a Canadian province, in terms of its healthcare innovation, climate change, tax incentives, and fiscal policies, including practical tools to increase local competitiveness and development.

Countries in the European Union were in the spotlight for policy advice from GTIPA members too. ITIF suggests that EU policymakers revise their Artificial Intelligence Act by reducing the currently broad definition of AI to avoid penalizing technologies that do not pose novel risks to let businesses enjoy the benefits of AI while protecting citizens. I-Com investigated how digital challenges were addressed in the EU’s Recovery and Resilience Plans, including analysis of connectivity; data and cloud strategy; digitalization of public administrations; artificial intelligence; Industry 4.0; digital skills; cybersecurity; and relevant policy recommendations. A CASE report exhibits challenges and opportunities for Ukraine to rebuild its economy after the war, including ways of attracting funding for the Ukrainian government from the EU, finishing its institutional reforms, encouraging private-sector competition, and protecting property rights.

**Sustainable and Emerging Technologies**

Cutting-edge and environmental innovations were also featured by GTIPA members. I-Com’s article compared the progress of ChatGPT to the emerging competitors created by Google and Microsoft while arguing that this new AI-based technology will have numerous opportunities for search and office software among others. Competere’s analysis highlights that food waste is not only an unnecessary financial loss but also contributes to greenhouse gas emissions, which could be avoided through predictive analytics and supply chain optimization technologies on the supply level as well as through embracing food culture and awareness on the customer level. Furthermore, Competere suggests reviewing the EU’s agrifood plans, especially in terms of its environmental and sustainability focus.
comprising social and entrepreneurial balances, because although the public administration aims for the simplification of administrative processes, there is a risk that access to subsidies will be a privilege for those who need it the least. In terms of energy, the Philippine Institute for Development Studies wrote an article that estimated the costs of power outages for businesses and people due to the inefficient climate-proofing of power and insufficient electricity-related infrastructure that cost the country 107.4 million consumer hours in 2021.

Recent and Upcoming GTIPA Events

Recent

Center for Social and Economic Research
Prospects of Reinvigorating the Middle East Peace Process: A Possible Joint EU-US Undertaking?
January 25
6:15 AM ET
Read more

Information Technology and Innovation Foundation
Should Congress Pass President Biden’s Tech Agenda?
January 25
10:30 AM ET
View webinar

Information Technology and Innovation Foundation
The State of U.S. Broadband in 2022: Reassessing the Whole Picture
January 31
12:00 PM ET
View webinar

The Macdonald-Laurier Institute
Defending Democracies from Disinformation: A New Imperative for Canada-Japan Strategic Cooperation
February 2
8:00 AM ET
View webinar
Hinrich Foundation
How Reporters Can Use the Hinrich-IMD Sustainable Trade Index 2022
February 2
9:00 AM ET
Read more

Competere
Are We Ready? How Supply Chains are Preparing for the Zero-Deforestation Regulation
February 3
9:00 AM ET
View webinar

Upcoming

Hinrich Foundation
The Sustainable Trade Index 2022 Educator’s Forum
February 23
3:00 AM ET
Register

Indian Council for Research on International Economic Relations
IPCIDE Annual Conference on the State of India’s Digital Economy
February 23
10:30 PM ET
Register

Bay Area Council Economic Institute
Bay Area Economic Outlook Breakfast
February 28
11:30 AM ET
Register
I-Com, Institute for Competitiveness
Contribution to the Debate on SEPs: SEPs Case Law in Germany
February 28
12:00 PM ET
Register

Information Technology and Innovation Foundation
Will ChatGPT Forever Change Education?
March 7
11:00 AM ET
Register

C.D. Howe Institute
Bob Hamilton, Commissioner, Canada Revenue Agency
March 7
12:00 PM ET
Register

Information Technology and Innovation Foundation
The Future of Manufacturing and Innovation in Germany and the US
March 29
10:00 AM ET
Register

Information Technology and Innovation Foundation
Reviving America’s Hamiltonian Tradition to Win the Economic Competition With China
April 27
8:30 AM ET
Register