July 2022 GTIPA Newsletter

We’re excited to welcome three think tanks as the newest members of GTIPA: Centro Mackenzie de Liberdade Econômica of Brazil, Innovation Council of Switzerland, and Portulans Institute of Washington, DC. As a reminder, our Sixth Annual GTIPA Summit will be held in Seoul, Korea on Thursday, October 27, 2022. If you’re in Seoul that day, we welcome you to join us in person, or if not, to watch it live online. Additional details forthcoming in future newsletters.

Best,
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Latest GTIPA Publications

Global inflation was at the forefront of GTIPA members’ minds this past month. Several members warned of the dangers of growing inflation, including in Taiwan which, as the Taiwan Institute of Economic Research cautioned, could see a reduction in consumer electronics exports due to inflation in the United States. Libertad y Desarrollo discussed rising inflation and higher food prices in Chile, and the Hayek Institut published a study of inflation in Austria. Meanwhile in Canada, the C.D. Howe Institute revisited an old tool for predicting inflation: growth in money supply. Finally, Song Kyung-jin, Chair of the Innovative Economy Forum, considered the possibility of global stagflation and discussed one effort to contain inflation through “quantitative tightening.”

Alongside inflation, GTIPA members shared concern for the agricultural and food
weakened food supply chain, which has reduced wheat production in Argentina and soy production in the United States. As palm oil in Europe has started to replace Ukrainian sunflower oil and U.S. soy products, Competere offered ideas for resilient and sustainable palm oil supply chains. In Malaysia, the Institute for Democracy and Economic Affairs (IDEAS) opined on the trajectory of the food system and proposed strategies for mitigating the food crisis. The Hinrich Foundation also discussed the global food supply chain, warning of the risks to human lives if food supply chain shortages continue and if nations respond in a protectionist manner by restricting food exports. Relatedly, the Austrian Economics Institute considered the challenges of broader supply chain regulations and their potential to jeopardize economic development.

As with the price of food, the price of electricity and global energy supply was also of concern to GTIPA members this month. In South Africa, the electricity crisis has prompted many to call for investment in renewables, but the Free Market Foundation argued that before full attention can be given to renewables, the South African government must amend the Electricity Regulation Act and end Eskom’s de facto monopoly. In Europe, the Hayek Institute explored the cause of unprecedented electricity price increases and questioned whether the design of the European electricity market is solely to blame. Looking beyond the current electricity crises, the Austrian Economics Center made the case for embracing fusion as the next major energy source in the transatlantic world.

This month also centered around international trade and the WTO. In a high-level analysis of globalization, the German Economic Institute examined the current pressures affecting the globalized world and how these pressures shape patterns of international trade, capital flows, and technology diffusion. Noting the potential impact on the world economy, Fundacion Internacional Bases looked to colonial history to understand why, nearly a year and a half later, trade under the African Free Trade Area (AfCFTA) has yet to take place. Following last month’s 12th Ministerial Conference, members reflected on changes to the WTO. CUTS International posited that cultural change at the WTO can have an outsize effect on public awareness and efforts to promote freer and fairer trade. The Hinrich Foundation’s Keith Rockwell, a former WTO spokesperson, offered an insider’s view of the WTO, proposed areas for reform, and outlined a path forward for the organization.

On the topic of the Indo-Pacific Economic Framework, members advocated for greater leadership and involvement in shaping the framework. The Macdonald-Laurier Institute made the case for taking the Indo-Pacific Economic Framework
possible role for Korea to lead the development of IPEF standards for infrastructure development. Meanwhile the Bay Area Economic Council dissected the inclusions and omissions from the IPEF and considered the potential of the IPEF for carrying out U.S. values. The Information Technology and Innovation Foundation’s Rob Atkinson pushed back on criticism that the IPEF is hollow without access to U.S. markets; he also maintained that the IPEF has the potential to counter China’s mercantilist policies, but only if countries in the Asia-Pacific have the willingness to cooperate to outcompete China. On a related note, the Hinrich Foundation reflected on a path for the EU to play a larger role in Southeast Asia.

The digital economy was also a focus of several GTIPA members this month. Leading up to and as part of its 2022 Summit, DigitalES covered digital regulations coming out of the European Union, the future of Spain’s telecommunications sector, and what is still necessary for the metaverse to be a reality. The German Economic Institute highlighted the need for European companies to be able to store, use, and share data securely and autonomously. CUTS International weighed in on the Indian Government’s reforms to ease digital business in India, arguing that the recent changes have in fact created “un-ease,” and, later in the month, CUTS considered the optimal governance of non-personal data. The Hinrich Foundation pondered how on-net and off-net financial networks could be positioned to avoid so-called “splinternets” and enable politically neutral trade settlement mechanisms for digital finance. The Bay Area Economic Institute, in partnership with the Center on China’s Economy and Institutions at Stanford, analyzed how access to government-controlled data supports AI innovation in both government and commercial applications, and explored how AI innovation and autocracy can be mutually reinforcing, as government demand for specific applications such as facial recognition stimulates technological advancement across multiple sectors. Lastly, the Center for Social and Economic Research examined the challenges and opportunities in taxing the digital economy.

Further on taxes, the Imani Center for Policy & Education explored the effect of Ghana’s new 1.5% tax on mobile money transfers, remittance transactions, and bank transfers, and the Free Market Foundation analyzed South Africa’s tax proposal for small-, medium- and micro-sized businesses. Additionally, the C.D. Howe Institute called for bolder thinking when it comes to tax credits in support of Scientific Research and Experimental Development (SR&ED).

In the Americas, ITIF challenged typical definitions of competitiveness and the indexes used to rank nations accordingly, finding that many of these indexes, such as homicide rates, have little to do with competitiveness. In response to the regulation of plants produced with “New Genomic Techniques,” (NGTs), ITIF
to rely on obsolete technologies. The Macdonald-Laurier Institute reflected on Shinzo Abe’s global vision of a rules-based order, and the Institute’s Richard C. Owens commented on Canada’s drug pricing system and argued that the nation should pay more for medications. In a recent video, the Bertelsmann Foundation reviewed the history of NATO from its founding in 1949 through its most recent developments in 2022, posing a final question: “How relevant is NATO?” Finally, the Geneva Network, in collaboration with Centro Mackenzie de Liberdade Econômica, responded to a Brazilian Supreme Court decision that weakened intellectual property (IP) policies. During a series of events, including a meeting with the Brazilian government’s IP policy team and a roundtable featuring government and industry stakeholders, the two organizations discussed IP-strengthening reforms.

**Recent and Upcoming GTIPA Events**

**Institute for Competitiveness (I-Com)**
Energy: The Recipes of Innovation for a Menu to be Rewritten
July 6
3:00 AM ET
[Register](#)

DigitalES
DigitalES Summit 2022
July 6
3:30 AM ET
[Register](#)

**CUTS International**
The Unease of Doing Digital Business in Digital India
July 7
6:00 AM ET
[Register](#)

**Austrian Economics Center**
5th Austrian School of Economics Meeting Hungary
July 7
[Registration & Call for Papers](#)

**Institute for Competitiveness (I-Com)**
Innovation Beyond Recovery: The Scenarios of Campania at the Time of the PNRR
Register

CUTS International
Optimal Governance of NPD 2.0
July 12
4:30 AM ET
Register

Competere
Raising Stars: How the Resiliency of the Palm Oil Supply Chain Ensures Food Security
July 12
9:00 AM ET
Register

Macdonald-Laurier Institute
Post-Summit Blues: How does Canada Fit into Today's NATO?
July 13
10:00 AM ET
Register

Philippine Institute for Development Studies
Toward an Inclusive Economic Recovery and Development in the Asia-Pacific Region and Ensuring Fiscal Sustainability for the Philippines
July 14
2:00 PM ET
Register

Hinrich Foundation
Curbing Policy Fragmentation in the Digital Economy
July 14
04:00 AM ET
Register

Information Technology and Innovation Foundation
Insights from Social Media for Safety in the Metaverse
July 19
12:00 PM ET
Register

Information Technology and Innovation Foundation
Accelerating More Equitable EV Adoption Through Technological, Business Model and Policy Innovation
July 26
12:00 PM ET
Register

Institute for Democracy and Economic Affairs
Youths' Perspective on the ASEAN Economic Community
July 28
10:00 PM ET
Register