### **IKED's Events 2003**

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#### **Virtual Opportunity Congress III**

[December 16-17, 2003, Sydney, Australia]

IKED was member of the steering committee for the <u>Virtual Opportunity Congress III</u> <sup>1</sup>"Virtual Global Society – Integration VS Disintegration: Social and Commercial Risks and Opportunities" that took place in Sydney, Australia, 16-17 December 2003.

The Congress examined options for Society, Business and Government for managing and responding to the risk and security element in human endeavours brought about by technological change. The following four broad clusters of issues was discussed at the Congress:

- Transforming Government meeting the needs and expectations through a network-centric approach to governance.
- Transforming Business and Society strengthening participation in the information economy to benefit all by improving the efficiency of business, boosting the economy and enhancing national wealth and social stability.
- Developing a trusted Online Environment identity management, cyber fraud, cyber terrorism, authentication, etc.
- Outcomes and Future Directions performance indicators, standards, policy, adoption, application, business opportunities.

IKED proposed the establishment of an International standards centre for Trust in Virtual relations. The idea of such a trust centre was developed in cooperation with <u>Oresund IT Academy</u><sup>2</sup> and presented at the ASEM-conference hosted by IKED and the Swedish government in March, 2003. Such a Digital Trust Center should be based on the use of digital certificates, one of the most promising and most used present solutions that allow for applications such as secure e-trade, e-banking, e-government functions, etc.

This technology is already in place in many countries, but is typically of national origin and with only national and sometimes industry specific validity. A global solution may improve international relations and prove important for countering threats to the smooth functioning of digital transactions in the global economy. There is an increasing need of a system which would work like a driver's license or passport, accepted wherever one "travels", valid and easy to use in the way one is accustomed to. Such a venture, if appropriately designed, may help to bridge different perspectives — as between the European Union and the United States - on the role of government/regulation vs. that of the market in securing orderly conditions in the digital world. It could also be significant to facilitate entry, which requires confidence in prevailing markets, for newcomers from developing countries. This part of the

<sup>&</sup>lt;sup>1</sup> http://www.globalaccesspartners.org/eventvirt.htm

<sup>&</sup>lt;sup>2</sup> http://www.oresundit.org/

background for the proposal is based on IKED's project "ICT for development" and have also been inspired by efforts such as those of the <u>United Nations</u><sup>3</sup>.

At the Virtual Opportunity Congress III, this idea was proposed with the suggestion that a small group of committed partners agree on launching a pilot project to pave the way for the establishment of a respected "clearing house" - seen as neutral, culturally sensitive, professional, service-oriented and prepared to work with the marketplace to address problems in trust and security. The clearing house should evolve incrementally, by adding countries to the system and in the end cover all major regions.

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# Inspirational Action Meeting exploring new ways of making the Oresund region work more efficiently

[November 12, 2003, Malmö, Sweden]

On the 12th of November IKED invited a group of Nordic experts to the inspirational action meeting "Towards Designing and Implementing Governance Mechanisms for Innovation Policy: Nordic experiences and challenges".

As an extension of the conference on the future challenge of innovation policies, arranged by the Nordic Council of Ministers on the 10th to the 11th of November the action meeting served as a platform from which constructive and trend breaking views were drawn one step closer to a concrete plan of action.

### Nordic Innovation Policies for the Future- Main Challenges from a Systems Perspective [November 10 - 11, 2003, Malmö, Sweden]

Malmö Börshus, Sweden, 10-11 November, The Nordic Council of Ministers and the Nordic Industrial Fund organised a conference on the future challenge of innovation policies. IKED presented perspectives on the future development of innovation policies.

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# IKED and Oresund Science Region organize a joint seminar on the Knowledge-based economy

[October 24, 2003, Malmö, Sweden]

On October the 24th IKED and Oresund Science Region organised a joint seminar "Putting knowledge to better use – in welfare states and in transition economies". The seminar provided an occasion to exchange views on ways in which policy makers and other stakeholders from different sectors and

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<sup>&</sup>lt;sup>3</sup> http://www.itu.int/wsis/index.html

<sup>&</sup>lt;sup>4</sup> http://www.iked.org/pdf/australiaprogramme.pdf

from different parts of the world can best develop comprehensive strategies so as to improve conditions for knowledge development and its better use.

#### List of speakers:

- Jean-Eric Aubert, World Bank office in Paris "The Knowledge Economy Approach and Strategies of the World Bank"
- Lars Eklund, Director of Division Innovation Actors, VINNOVA "The Pursuit of a Comprehensive Innovation Policy in Sweden"
- Bengt Streijffert, Director General of the Öresund Science Region "The Struggle of Building an Integrated Knowledge Region"
- Elisabeth Waelbroeck-Rocha, Chief Executive Officer of BIPE "The Role of Cluster Policies"
- Thomas Andersson, president IKED, Moderator

#### **IKED and the Nordic Venture Forum**

[October 22, 2003, Stockholm, Sweden]

The Leading Nordic Private Equity Summit was held in Stockholm the 22nd of October 2003, arranged by the Eurocapital and the Swedish Private Equity and Venture Capital Association. The programme presented the most current trends and issues. As the representatives of the venture capital industry set out to contemplate the future development of private equity and venture capital markets in the Nordic countries IKED has introduced the theme of "Clusters and growth sectors in the Nordic countries", a contribution partly based on a forthcoming IKED venture capital publication.

#### Strengthening regional competitiveness through cluster development

[September 17-19 2003, Gothenburg, Sweden]

In recent years, it has become widely recognised that dynamic and innovative clusters are one of the key building blocks of regional competitiveness. In this context, the Sixth Global Conference of the Competitiveness Institute<sup>5</sup> was held in Gothenburg, Sweden, from 17-19 September, 2003 on the theme "Innovative Clusters – A New Challenge". The conference represented a unique opportunity for members to exchange experiences and best practices in clusters development. IKED was one of the coorganisers of the conference, along with

the Swedish Agency for Innovation Systems<sup>6</sup> (VINNOVA),

the Invest in Sweden Agency (ISA),

the Swedish Business Development Agency<sup>8</sup> (NUTEK),

and the <u>Swedish Institute for Growth Policy Studies</u><sup>9</sup> (ITPS), among others.

<sup>&</sup>lt;sup>5</sup> http://www.tciconference.org/

<sup>&</sup>lt;sup>6</sup> http://www.vinnova.se/

<sup>&</sup>lt;sup>7</sup> http://www.isa.se/templates/Startpage\_\_\_\_2008.aspx

<sup>8</sup> http://www.nutek.se/

<sup>9</sup> http://www.itps.se/

IKED is responsible for the White Book that follows the Conference. The White Book is not only conference proceedings but also a document structuring issues and approaches on cluster initiatives for policy makers and practitioners.
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International Conference on Opportunities for SMEs in a Globalised World [September 15-18, 2003, TelAviv, Israel]
At the 14th International SME Conference, IKED made a presentation on "ICT and Innovation: Opportunities for SMEs and Policy Challenges". IKED also played an active role in drafting the conference declaration, which sets directions for innovative policies and programmes in the area.
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IKED Presents UNCTAD's World Investment Report 2003 [September 5, 2003, Copenhagen, Denmark]
The UNCTAD World Investment Report 2003; "National FDI Policies and International Investment Agreements", was presented by IKED at a special press seminar at the United Nations Office in Copenhagen on September 3rd 2003, which was paralleled by a series of similar press events around the world. The report represents this year's version of the annual flagship publication of the United Nations Conference on Trade and Development (UNCTAD). It examines in detail the features of the last years' downturn in global FDI-flows.
You find the report here <sup>10</sup>
The 2002 World Investment Report was presented by IKED in Copenhagen at the same time last year. IKED offered the attached summary and comment on that edition.
Read more <sup>11</sup>
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IKED Co-Sponsor of seminar in Havanna on welfare policies in the era of globalisation

[April 2-4, 2003, Havanna, Cuba]

IKED was the co-sponsor of a seminar in Havana, Cuba, 2-4 April, which dealt with Welfare Policies in the Era of Globalization, with special emphasis on Cuba and Sweden. The event was organized by the Centre for European Studies in Havana, sponsored by IKED, and ITTC, with financial support from Sida and the Swedish Institute.

The common denominator for the seminar was welfare policies and the challenges that such policies are facing in the future, not only with the advent of an increasingly globalized world, but also with the ageing of the population in the coming decades in many countries, which makes the current financing channels of the welfare systems untenable in the long run. Cuba has undergone a serious economic crisis in the 1990s, and is still haunted by it, which puts pressure for systemic change in a range of

<sup>10</sup> http://www.un.dk/WIR\_2003/WIR.htm

<sup>11</sup> http://www.iked.org/pdf/UNCTAD.pdf

areas, and for an opening towards market economy. The economic crisis coupled with the gradual replacement of the centralized planning system is bound to have a deep effect also the welfare system of the country. How can unemployment be avoided, how can a fair pension system be maintained, and how can free services like education and health care be guaranteed also in the future were issues raided by the Cuban participants. However, as several presentations by showed, similar problem are present in Western Europe, including in Sweden and the other Nordic countries, and the need of comprehensive policy responses was debated. The seminar was attended by some researchers and policy-makers.

#### Seminar on the future of the Nordic welfare society

[February 5, 2003, Stockholm, Sweden]

IKEDs report "The Nordic Countries and The New Economy" was published by The Nordic Council of Ministers in August 2003 in "The Future of the Nordic Welfare Societies: Challenges and Possibilities", along with two other reports discussing the challenge of globalisation to taxation and the effectiveness and sustainability of the public sector. These three reports were originally presented at a seminar on the future of the Nordic welfare society in Stockholm on February 5th 2003 that IKED arranged together with the Nordic Council of Ministers and the Swedish Ministry of Finance.

#### The Nordic Countries and the New Economy:

The initiative of the Nordic Council of Ministers

In the Nordic Council of Ministers, with headquarters in Copenhagen, the Ministers of the Nordic countries meet continuously and discuss important issues challenging their countries. At their meeting in Copenhagen on June 21st 2000, the Ministers of Finance agreed on a programme for cooperation on the development of productivity and other economic effects in connection with the rise of a "new economy".

Giving the new economy a wide definition the Ministers emphasised the importance of examining impacts following from:

- improved macro economic policy;
- globalisation and regulatory reform;
- technical progress related to ICT.

A key question is whether these factors taken together have created conditions for higher productivity growth, and thereby potentially higher GDP as well as social welfare.

To support the project, a working group, consisting of representatives from the Ministries of Finance and the main statistical agencies of the Nordic countries, was set up. From early spring 2002, IKED served as Secretariat of the group with responsibility to prepare the main analytical work and background report for the deliberations of the Ministers of Finance. The activity was undertaken in close collaboration with the working group, which met regularly to discuss the progress made and to provide statistical and policy input from the respective countries.

#### Capturing benefits from knowledge-based assets

The Nordic countries belong to the most advanced in the world regarding investment in information and communications technology (ICT), and related knowledge-based assets. Some of these assets are of an intangible nature and difficult to measure. However, attempts to do so tend to show that the Nordic countries belong to those that undertake the largest investments relative the size of their economies. Several benefits of this position are evident. Households in the Nordic countries are more active on the web than any other in the world, with the exception of the United States. The Nordic countries also have among the largest ICT-based service industries in the world.

While their overall growth record has been relatively good over the last decade, viewed over a somewhat longer period the Nordic countries have seen a weakening of their previously impressive economic performances. This applies particularly to Sweden and Denmark, which used to belong to the five richest countries in the world in terms of GDP per capita. The causes for the decline are primarily of structural nature. The revival that has taken place over the last decade has not reached its full potential, and the Nordic countries do not yet seem able to capture all the benefits of their strength in knowledge-intensive assets.

#### The aim of the report is to:

- improve the understanding of recent economic developments in the Nordic countries, and in which way their economies have been affected by "new economy" aspects;
- conclude on specific recommendations for policy adjustments in the Nordic countries as a result of changes in the economic development;
- propose priorities for continued collection and examination of data and for policy-analysis.

Advantages of undertaking this work among the limited circle of the Nordic countries include that they:

- have all invested heavily in "new economy" related assets;
- are rather similar with respect to certain institutional conditions, but yet sufficiently dissimilar
  in terms of economic and industrial structures to generate interesting variations in
  observations;
- have similar capabilities as regards access to data, which in many respects is better than what can be obtained from other parts of the world;
- have a long experience of policy cooperation and a record of gaining from joint policy initiatives.

#### The future of the Nordic welfare society

The report was presented at a seminar on the future of the Nordic welfare society held in Stockholm on February 5th 2003. The seminar (see pictures below) was hosted by the Nordic Council of Ministers in cooperation with the Swedish Ministry of Finance and IKED. Besides the report "The Nordic Countries and The New Economy" two other reports, "Financing the Nordic Welfare States: The Challenge of Globalization to Taxation in the Nordic countries" and "The Effectiveness and Sustainability of the Public Sector in the Nordic Countries", were presented and discussed by the Nordic Ministers of Finance, top academics, and the heads of key governmental organisations. The reports are published in "The Future of the Nordic Welfare Societies: Challenges and Possibilities" (contact info@iked.org for more information).