German Center for Research and Innovation New York
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GERMAN U15

Key results from
Online Panel Discussion "A New Era for Research and Innovation? Innovation Policy in the USA and Germany After the Pandemic"

Date: July 8th, 2021; Co-organized by German U15 and German Center for Research and Innovation (DWIH) New York.

Panel:
Kathleen Kennedy, Executive Director, MIT Center for Collective Intelligence
Dr. Rena Conti, Associate Research Director, Institute for Health System Innovation and Policy, Boston University
Prof. Dr. Georg Krausch, President of the Johannes Gutenberg University Mainz and Chair of German U15

Moderated by: Dr. Jan Wöpking, Managing Director, German U15

The discussion started with a short overview on the recent research and innovation politics by the new US administration. *Key take-aways were*:

- Biden administration is strongly invested in science; the appointment of Erik Lander as Director of the Office of Science and Technology Policy and Science Advisor to the President is a strong signal, which has been welcomed around the globe.
- The Senate recently passed the *United States Innovation and Competition Act (USICA)* that authorizes substantial amounts of funding for research, technology and innovation purposes, including a huge budget raise for of the National Science Foundation, the creation of several university technology centers and a boost for science and technology infrastructure in general.
- The bill includes a clear focus on creating more equity in research and innovation. The aim is that everyone should benefit from public funding.
- Interestingly, the bill is bipartisan; it was sponsored by Senators *Chuck Schumer* (Democrat from New York) and *Todd Young* (Republican from Indiana). After passing in the Senate, the bill now lies with the House of Representatives.

The ensuing discussion then moved to lessons learned from the pandemic and what changes for research and innovation could be expected. *Key insights were:*

- The pandemic has shown an immense acceleration of innovation processes such as the fastest vaccine development ever in human history. Part of what made this possible was the breaking up of traditional silos in R&I. Lots of innovation processes have worked differently during the pandemic; incentives for innovation have changed including more focus on equity.
- mRNA vaccine revolution was based on twenty years of prior basic research. Basic research is inherently risky and needs long-term, reliable, patient funding as it can yield tremendous innovation outcomes. Without basic research, all later stages in the innovation process will eventually dry out.

- Role of state has changed over the last years and decades; public funding used to be concentrated on basic research and all stages closer to market were regarded as domain of private enterprises. Pandemic has shown that this is no longer viable. Instead, public funding needs to flow further down into the pipeline.
- The pandemic also exposed vulnerabilities and deficiencies in the current R&I system. This has led to a focus on establishing technological sovereignty, especially with regard to critical supply-chains.
- Already existing inequalities were reinforced by the pandemic.
- Digital transformation will stay and could lead to new research & innovation landscape, one that is less concentrated in few superclusters that are highly regionally concentrated—i.e., initiatives linking local, regionally dispersed actors ("Community Biotech" initiative).
- Pandemic could be a turning point for where value is primarily located: it used to be the IP, the patent, whereas the pandemic has shown that the value lies in the trade secret, the process of manufacturing.
- All panellists were hugely optimistic about the future of transatlantic cooperation in research & innovation.