

**Innovation in Global Networks –
The Challenge for Technical Standards and Related Policies**

Featuring:

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Monday, May 18, 12:15pm to 1:30pm

Debates on innovation are focused on patents, while standardization is regarded primarily as a technical issue, and hence receives only limited high-level policy support. That needs to change.

In his talk, Dr. Ernst will argue that standards are as much of strategic importance as patents as an enabler of innovation. However, for standards to foster innovation, both the process of standardization and the standards must be open, flexible, and extendable.

Globalization no doubt has dramatically increased the strategic importance of standards. But how does globalization affect our capacity to keep the standardization process as well as critical standards open, flexible, and extendable?

A defining characteristic of globalization are global corporate networks which integrate dispersed production, engineering, product development and research across geographic borders. Knowledge sharing is the glue that keeps these networks growing. Widely accepted and implemented interoperability standards are needed to enable communication between network participants who are separated from each other by geography, language, methodologies, and culture. The need for interoperability standards is further magnified by rapid and disruptive change in a broad array of generic technologies. Moreover, the convergence of erstwhile separate technologies into complex technology systems (such as of Healthcare, the Smart Grid, or the Internet of Things) has exposed a lack of interoperability standards needed to connect the diverse technology platforms and building-blocks of those systems.

But globalization also raises hurdles. A balkanized global standards system constrains harmonization efforts. Thousands of industry- or sector-based standards development organizations (SDOs) and private standards consortia have proliferated, especially in the ICT industry. In addition, new players from emerging economies (especially China) have entered the game with distinct national standards systems and policies, reflecting differences in their stage of development, economic structure, institutions and economic development models.

The talk explores how the spread of global networks, complex technology systems, and the Balkanization of standard-setting might affect the role of technical standards and related policies. The focus is on interoperability standards within global networks of production, product development and research. Three questions are addressed:

- Do we have sufficient data to map important changes in the international standards landscape?
- What new challenges does globalization create for interoperability standards?
- What do we know about China's distinct approach to standardization?